Service Plan • 2013/14 – 2015/16

housing matters

BC Housing

BRITISH COLUMBIA

COVER PHOTO:

Alexandra and two-year-old Nathaniel moved into their affordable rental apartment at YWCA Alder Gardens. The Surrey development offers 36 supportive housing units for single mothers and their children who are at risk of homelessness.

For more information visit "Our Stories" at www.bchousing.org

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Joint Message from the Chair and Chief Executive Officer

Overview of significant activities for 2013/14 to 2015/16

BC Housing's activities over the next three years will focus on delivering high quality programs and services for the benefit of our clients and tenants. Looking forward, homelessness remains a significant priority. Construction has been completed at more than half of the 32 supportive housing developments committed through *Memoranda of Understanding* agreements with local governments, with the remaining buildings to be completed over the next several years. This new housing, along with outreach services and emergency shelter services, will greatly contribute to breaking the cycle of homelessness in communities across the province. Our *Community Partnership Initiatives* program will also play a key role in the creation of new affordable housing during this service plan period.

A major initiative over the next three years is the renovation and restoration of 13 provincially-owned single room occupancy (SRO) hotels in Vancouver's Downtown Eastside through a public-private partnership. This will greatly improve the living conditions for residents and restore the heritage value of these buildings. New capital investments will also be made to improve the quality of the aging social housing stock throughout the province, contributing to healthy and sustainable communities. For low-income households in the private market, our new *Home Adaptations for Independence* program will assist with home modifications for accessible, safe and independent living for seniors and persons with disabilities.

Building strong relationships with our sector partners is critical as we share a common goal of providing safe, secure affordable housing appropriate to people's needs. One of the ways we will support a strong non-profit sector is to collaborate with the BC Non-Profit Housing Association to increase housing providers' capacity to carry out capital planning for the long-term sustainability of the social housing stock. This new initiative is particularly important as operating agreements between BC Housing and housing providers begin to expire. We are also working to enhance partnerships that support self-reliance in the Aboriginal housing sector. A key activity is to support the Aboriginal Housing Management Association in its responsibility for administering all existing housing program agreements between BC Housing and Aboriginal service providers in British Columbia.

Service delivery for 2013/14

Overall, in 2013/14, 100,030 households in greatest need in 200 communities will be served through our housing programs and initiatives. For example, the *Rental Assistance Program* will assist over 10,000 low-income working families with cash assistance to help with their monthly rent payments. This program is a key goal of the provincial housing strategy *Housing Matters BC* to support families.

In the year ahead we will also license over 5,000 residential builders and approve 2,500 owner builder authorizations as part of our responsibilities under the *Homeowner Protection Act*. B.C.'s system of licensing and warranty insurance will result in over 23,000 new homes enrolled in third-party home warranty insurance for the benefit of the purchaser. We are working with industry to introduce an accreditation system for residential builder education that will further enhance consumer protections for buyers of new homes.

Enhanced governance

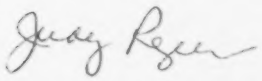
Since the publication of our last Service Plan, BC Housing has taken a significant step forward to enhance governance practices and improve board competencies with the appointment of a full Board of Commissioners. BC Housing's ability to effectively carry out its mandate and contribute to the goals of *Housing Matters BC* will be strengthened with the strategic direction and oversight provided by our new board.

Key risks and opportunities

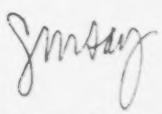
For 2013/14 key risks continue to be the potential for higher interest rates, costs associated with the aging social housing stock, and the loss of affordable housing as a result of the expiry of operating agreements. Mitigation strategies and initiatives are in place for each key risk. For example, BC Housing is working closely with BC Non-Profit Housing Association to examine issues, opportunities and strategies related to the expiry of operating agreements.

Strong relationships

We strive to develop and maintain strong relationships with our partners in all sectors, levels of government and communities so that we are able to continue delivering high quality programs and services. This approach is particularly beneficial during the current period of fiscal restraint that is being experienced locally and globally. The resulting collaboration and innovation helps to ensure that we continue to make progress in addressing our strategic priorities in the coming years.



Judy Rogers
Chair



Shayne Ramsay
Chief Executive Officer

About this Service Plan

The 2013/14 – 2015/16 BC Housing Service Plan was prepared under the Board of Commissioner's direction in accordance with the *Budget Transparency and Accountability Act* and the BC Reporting Principles. The plan is consistent with government's strategic priorities and fiscal plan. The board is accountable for the contents of the plan, including what has been included in the plan and how it has been reported.

All significant assumptions, policy decisions, events and identified risks, as of February 2013, have been considered in preparing the plan. The performance measures presented are consistent with BC Housing's mandate and goals, and focus on aspects critical to the organization's performance. The performance targets in this plan have been determined based on an assessment of BC Housing's operating environment, forecast conditions, risk assessment and past performance.

Judy Rogers
Chair

Our Strategic Framework

Mandate, Vision and Values

Our mandate is to fulfill the provincial government's commitment to the development, management and administration of subsidized housing as set out in the Government's Letter of Expectations and as reflected in an Order-in-Council under the *Ministry of Lands, Parks and Housing Act* which established the British Columbia Housing Management Commission (BC Housing) in 1967. Our mandate also includes responsibilities for the administration of the *Homeowner Protection Act,* which entails strengthening consumer protection for buyers of new homes and helping bring about improvements to the quality of residential construction.

Our vision is housing solutions for healthier futures.

Our values are integrity, respect, commitment, service and accountability.

Housing Matters BC – A Housing Strategy for British Columbia

As set out in the Government's Letter of Expectations, BC Housing's priority is to fulfill the government's commitment to meet the housing needs of British Columbians as set out in the provincial housing strategy, *Housing Matters BC*.

The framework for the evolution of the housing sector, including the business direction for BC Housing, is guided by *Housing Matters BC*. This provincial housing strategy contains six goals, each of which is client-focused. BC Housing is a major contributor in ensuring these goals are met through a variety of programs and partnerships.

1. The homeless have access to stable housing with integrated support services
2. B.C.'s most vulnerable citizens receive priority for assistance
3. Aboriginal housing need is addressed
4. Low-income households have improved access to affordable rental housing
5. Homeownership is supported as an avenue to self-sufficiency
6. B.C.'s housing and building regulatory system is safe, stable and efficient

The Government's Letter of Expectations

The Government's Letter of Expectations (GLE) describes the relationship between BC Housing and the provincial government, and mandates direction from government to BC Housing. The GLE ensures a mutual understanding between the shareholder and BC Housing on governance issues, corporate mandate, core services, public policy issues, strategic priorities and performance expectations.

The chart below summarizes government's expectations and policy directions for BC Housing in 2013/14 and refers to our planned actions to address this direction. The GLE in its entirety can be found on the BC Housing website, www.bchousing.org/aboutus/about/governance. More information on our planned activities is in the Performance Measurement Framework (PMF) section starting on page 21.

2013/14 GOVERNMENT'S LETTER OF EXPECTATIONS (EXCERPT) the Commission is directed to take the following specific actions:	KEY STRATEGIES AND ACTIONS
Work with the Ministry Responsible for Housing to address critical gaps through a variety of partnerships that integrate new housing options and improve access to housing and support services	• Work with Ministry partners to analyze province-wide demographic trends and identify critical housing gaps • Identify ways to further our activities to support families • Continue to deliver and create housing programs and initiatives that target vulnerable populations (Strategic Priority #2)
Support a strong non-profit housing sector by taking steps to strengthen relationships and build capacity	• Work with the non-profit housing sector to develop strategies to respond to the expiry of operating agreements and address common issues • Support non-profit housing providers in improving financial, operating and capital planning practices • Take steps toward an outcome-based approach to funding and management (Strategic Priority #1)
Work with industry to protect consumers and professionalize the residential construction industry by taking further steps towards the introduction of education and training qualifications for licensed residential builders	• Work with the Professional Builders' Institute and industry associations to create an accreditation system for builder education and education providers • Continue to conduct strategic research and education that supports improvement in quality of residential construction and consumer awareness (Strategic Priority #4)

2013/14 GOVERNMENT'S LETTER OF EXPECTATIONS (EXCERPT) ...the Commission is directed to take the following specific actions:	KEY STRATEGIES AND ACTIONS
Promote strategic partnerships and alliances that work to further the availability of affordable market housing	• Facilitate innovative partnerships to create new affordable housing • Provide rent assistance programs for low-income renters in the private market • Offer assistance to improve the physical accessibility of homes for low-income homeowners and renters (Strategic Priority #2)

ENVIRONMENTAL SUSTAINABILITY

BC Housing's sustainability strategy, called *livegreen: Housing Sustainability Plan* recognizes the significant role that we can play to promote sustainability in our activities and more broadly within the housing sector. We accomplish this through taking actions in three areas:

- Buildings – striving towards innovation in design, construction and management of social housing buildings;
- Change Agent – guiding and supporting others in taking actions towards sustainability; and
- Integration – integrating financial, social and environmental considerations in decision making.

The *livegreen* plan is aligned with the Province's Climate Action Plan to reduce greenhouse gas emissions and our carbon footprint, and to become carbon neutral. We report our performance through the "Reduction in Greenhouse Gas Emissions" performance measure in our Annual Report.

Our significant reduction in greenhouse gas emissions in public housing buildings and offices contributed to BC Housing remaining carbon neutral in 2011. Please visit www.bchousing.org/Initiatives/Sustainability to view the *livegreen* plan.

livegreen

Serving British Columbians

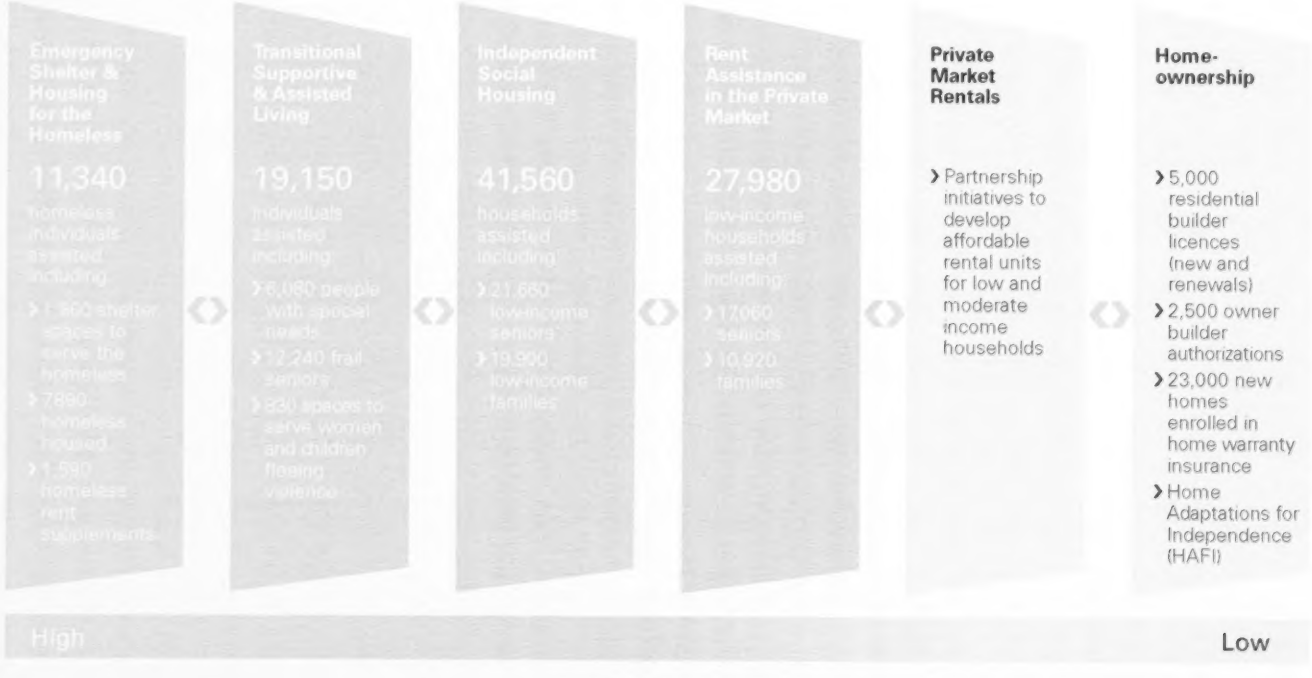
BC Housing's Role in the Housing Continuum

The housing continuum illustrates the full range of possible housing alternatives. A portion of the continuum (around 6 per cent of the total housing stock in the province) is government-assisted housing with varying levels of support services provided. The majority of housing (around 94 per cent) is in the private market.

BC Housing's role is to assist British Columbians in greatest need of affordable and appropriate housing by providing options along the housing continuum. To develop a range of housing options for those who are vulnerable, BC Housing works in partnership with the private and non-profit sectors, provincial health authorities and ministries, other levels of government and community groups. Our partners have the expertise to identify the appropriate housing needs of their client groups and to deliver the support services needed for successful tenancies.

Through responsibilities under the *Homeowner Protection Act,* BC Housing also plays an important role with the homeownership sector by licensing residential builders, administering owner builder authorizations, overseeing the third-party home warranty insurance system and carrying out research and education to improve the quality of construction of new homes.

The diagram below illustrates the housing continuum in the province and BC Housing's contribution to it.


Emergency Shelter & Housing for the Homeless
11,340
homeless individuals assisted including
› 1,900 shelter spaces to serve the homeless
› 7890 homeless housed
› 1,590 homeless rent supplements
Transitional Supportive & Assisted Living
19,150
individuals assisted including
› 6,080 people with special needs
› 12,240 frail seniors
› 830 spaces to serve women and children fleeing violence
Independent Social Housing
41,560
households assisted including
› 21,660 low-income seniors
› 19,900 low-income families
Rent Assistance in the Private Market
27,980
low-income households assisted including
› 17,060 seniors
› 10,920 families
Private Market Rentals
› Partnership initiatives to develop affordable rental units for low and moderate income households
Home-ownership
› 5,000 residential builder licences (new and renewals)
› 2,500 owner builder authorizations
› 23,000 new homes enrolled in home warranty insurance
› Home Adaptations for Independence (HAFI)
High
Low
Level of Assistance
Government-Assisted Housing
(Accounts for approximately 6% of the province's total housing stock)
Partnership Initiatives, Consumer Protection
(Building licensing, home warranty insurance, research & education)

Government-assisted Housing

This housing ranges from emergency shelter through to rent assistance in the private market. In partnership with some 800 housing providers – mostly non-profit and housing co-operatives – over 100,000 households in 200 communities will be assisted through subsidized housing in 2013/14. The level of support service provided ranges from high to low depending on the needs of the clients served, as described below.

Emergency Shelter and Housing for the Homeless

Homelessness is a concern for many communities throughout B.C. This section of the continuum serves people who are homeless, or at risk of homelessness, and require housing with integrated supports. Some reports estimate the cost of homelessness to the health, social, and justice systems to be over $55,000 per person per year (Centre for Applied Research in Mental Health & Addiction, Simon Fraser University).

Challenges to finding appropriate housing for people who are homeless are multi-faceted. They may be housing-related, such as affordability, availability or suitability, or a combination of life events, including disabilities, health and mental health issues, addictions, social exclusion, joblessness, inadequate access by refugee claimants to settlement services or a breakdown of relationships.

Transitional Supportive and Assisted Living

This part of the continuum serves three major tenant groups: women and children fleeing violence, individuals with special needs and frail seniors.

Transitional housing is available for those who may be in need of short-term housing as an interim step towards a longer term housing solution, such as women and children fleeing domestic violence. Women and children fleeing violent relationships require immediate access to safety, shelter, food, crisis intervention and social service referrals. From 1999 to 2004, it is estimated that more than 100,000 women in B.C. were victims of spousal violence (Statistics Canada, 2006). As of this year, women without legal status in Canada are eligible for all Women's Transition Housing and Supports Programs funded by BC Housing.

Supportive and assisted living is available for those in need of additional supportive services which include the provision of on- or off-site support services. People who require special needs housing include those living with severe physical disabilities or mobility issues, developmental disabilities, chronic mental illness, those living with HIV/AIDS, and drug and alcohol dependencies. Frail seniors and individuals with special needs require a range of support services to help them have more stable lives, and supportive housing allows them to live independently. While ensuring that adequate supports are in place for these clients, additional programs are also in place to help people move towards independence and self-sufficiency where possible.

It is anticipated that the population of seniors will increase from 15 per cent of B.C.'s population in 2009 to 24 per cent in 2036. The age 80+ senior population (frail seniors) will grow from four per cent in 2009 to seven per cent in 2036 (BC Stats, 2012). Some of the senior demographic will also have income issues, which will increase demand for social housing.

Independent Social Housing

In B.C. the majority of government-assisted housing is provided through independent social housing. Independent social housing typically does not require additional support services for tenants, although many housing providers are noting greater support needs among their tenants.

Rent Assistance in the Private Market

Rent assistance programs maximize the availability of existing rental units within the private market, which in turn provides options for those seeking housing. Rent assistance programs such as *Rental Assistance Program* and *Shelter Aid For Elderly Renters* support people to remain in their current communities while maintaining independence.

Private market housing

The majority of British Columbians are housed successfully in the private housing market. However, households spending 50 per cent or more of their income on rent for adequate housing are considered to be in highest need and at risk of economic eviction or homelessness. 2006 Census data shows there are over 64,900 households that are unable to find suitable housing in the private market and indicators suggest that this trend is increasing.

Private Market Rentals

Developments that provide affordable housing units within the private market may have either all or a portion of the available units priced at or below market rent levels. Units may be rented at market rents, or slightly below market rent, often referred to as "low end of market rent". Similar to rent assistance in the private market, this stage of the continuum provides more housing options for low- to moderate-income households. This housing is typically developed by non-profit housing providers in partnership with BC Housing.

Homeownership

Our primary role with respect to this part of the housing continuum is through the *Homeowner Protection Act* whereby we license residential builders, ensure that new homes are enrolled in home warranty insurance, and administer owner-builder authorizations. Additionally we focus on enhancing consumer protections through overseeing the third-party home warranty insurance system and carrying out strategic research and education initiatives to improve the construction quality of new homes.

In January 2012, BC Housing launched a new program *Home Adaptations for Independence* to help low-income seniors and people with disabilities finance home modifications for accessible, safe and independent living.

Aboriginal Individuals and Families

Aboriginal people tend to be over-represented in housing need categories across the continuum. The 2006 Census identified that off-reserve Aboriginal households represented 4.5 per cent of all B.C. households, but 6.9 per cent of all households in core housing need. The 2006 Census also identified that 21.1 per cent of off-reserve Aboriginal households are in core housing need compared to 13.4 per cent of all non-Aboriginal households. Aboriginal people are also over-represented among those who are homeless or at risk of homelessness. For example, according to the results from the 2011 Metro Vancouver Homeless Count, 27 per cent of the homeless individuals found in Metro Vancouver identified as an Aboriginal person.

While partnerships and programs exist specifically to support Aboriginal households, Aboriginal individuals and families are also supported by all programs across the housing continuum.

Using BC Housing's 2012/13 data, the map below shows our service regions, the total number of households and the number of households assisted through subsidized housing. Using 2006 Census data, the map shows the total number of households spending greater than 50 per cent of their income on rent.

* On April 1, 2012, the Fraser and Vancouver Coastal regions merged and are now referred to as the Lower Mainland region.

INTERIOR	
Total number of households	285,025
Households spending > 50% of their income on rent	8,700
Households assisted through subsidized housing	13,950
NORTH	
Total number of households	107,400
Households spending > 50% of their income on rent	2,600
Households assisted through subsidized housing	5,050
VANCOUVER ISLAND	
Total number of households	304,415
Households spending > 50% of their income on rent	12,100
Households assisted through subsidized housing	16,620
LOWER MAINLAND*	
FRASER	
Total number of households	520,130
Households spending > 50% of their income on rent	18,200
Households assisted through subsidized housing	29,220
VANCOUVER COASTAL	
Total number of households	426,170
Households spending > 50% of their income on rent	23,300
Households assisted through subsidized housing	35,190

How We Serve British Columbians

Every aspect of BC Housing's business is centered around our clients. We create relationships with key partners to deliver the best services possible. Below are descriptions of how we do business in partnership.

DELIVERY PARTNERS

Housing assistance is provided through public, non-profit and co-operative housing, as well as through rent assistance to people living in the private rental market. We work in partnership with more than 800 non-profit housing societies, housing co-operatives and group home operators to provide safe and affordable housing for people in need. We also partner with private operators to provide rent supplements for low-income seniors and people with disabilities living in private assisted living facilities.

SERVICE PARTNERS

BC Housing engages in innovative service partnerships that integrate housing and support services to meet tenants' needs and ensure stable tenancies. These service partnerships involve other levels of government, health authorities, Community Living BC and service providers, such as those serving people with developmental disabilities, homeless individuals, refugee claimants at risk of homelessness, as well as women and children at risk of violence.

CONTRIBUTING PARTNERS

The investment required to create new social housing necessitates partnership models. Our approach seeks to combine resources and expertise from a wide range of partners, including other levels of government. For example, municipal governments contribute through expediting approval processes, waiving development construction costs and offering reduced property taxes, as well as making land available for new housing. The federal government can contribute capital funding to support new and existing social housing.

Creating new social housing relies on significant contributions from the non-profit housing sector; we recognize the considerable equity and expertise in the sector to pursue new housing opportunities. In addition, contributions made by charitable organizations, such as the Streetohome Foundation in Vancouver and Columbia Basin Trust (CBT), have become a critical component of success in many communities.

INDUSTRY AND REGULATORY PARTNERS

BC Housing works with a wide range of industry partners to strengthen consumer protection for buyers of new homes. Partners include Licensed Residential Builders and Building Envelope Renovators, warranty insurance providers, insurance brokers acting as agents for warranty providers, industry associations, other regulatory agencies such as the Financial Institutions Commission, the Insurance Council of BC, the Real Estate Foundation, the Real Estate Council of BC, educational organizations and building officials. Most recently we have formed a partnership with the Professional Builders' Institute to develop a system of builder qualifications proposed as part of the Homeowner Protection Office's licensing function.

Research and education activities to improve the quality of residential construction are funded primarily by builder license fees and owner-builder authorizations. A joint delivery model, where BC Housing works with key industry groups and other levels of government, has been an effective way to identify required research and to lever and attract additional funding for cost effective research and education initiatives in the residential construction sector. Having the key strategic partners at the table ensures the research will be robust, and the findings and new business practices will be adopted, thus ensuring continued business improvements in the residential construction industry.

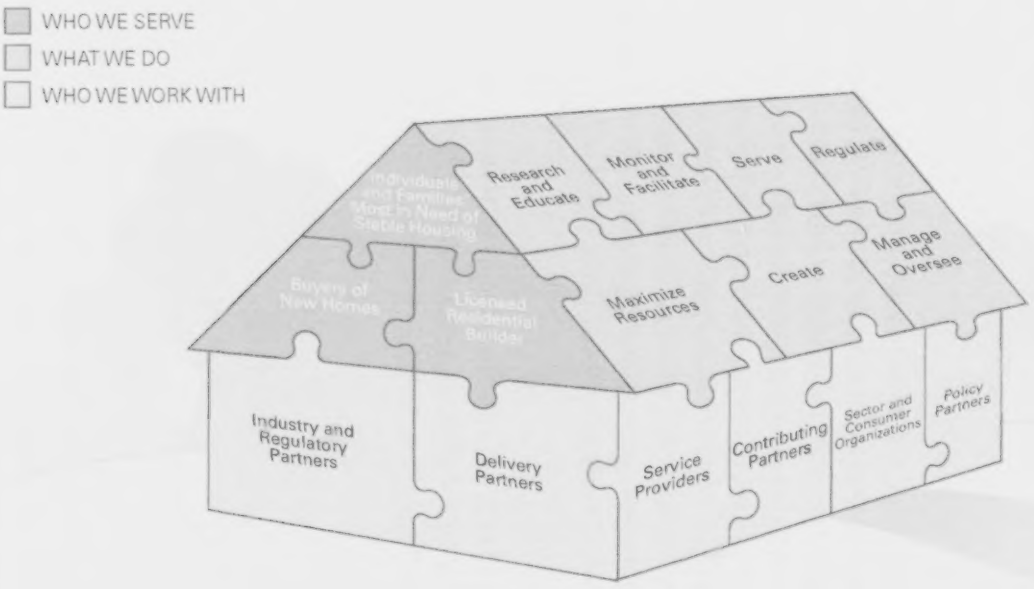
We also work with industry and regulatory partners to support sustainability in the design, construction and management of housing across the continuum. This is done through sharing best practices, developing education materials and conducting research.

POLICY PARTNERS

Our policy partners within the Ministry's Office of Housing and Construction Standards are responsible for provincial housing policy, building and safety standards and residential tenancy. By working together, government is able to ensure that BC Housing's programs and services are integrated and aligned with the provincial housing policy. Our partners across government also include the Ministries of Social Development, Health Services, Aboriginal Relations and Reconciliation, and Children and Family Development.

SECTOR AND CONSUMER ORGANIZATIONS

BC Housing works collaboratively with housing sector and consumer organizations to create better outcomes and build stronger communities. Organizations include the BC Non-Profit Housing Association, the Co-operative Housing Federation of BC, Shelter Net BC, BC Society of Transition Houses, the Aboriginal Housing Management Association, the Greater Vancouver Shelter Strategy, and the Condominium Home Owners Association of BC.



Key Relationships

The diagram above illustrates BC Housing's relationships with our key partners and how we work together to provide housing options and strengthen consumer protection.

Organizational Structure

Corporate Governance

BOARD OF COMMISSIONERS

BC Housing is responsible to the Minister Responsible for Housing through a Board of Commissioners. The government appoints the board to oversee policy implementation and direction and, in cooperation with senior management, to set strategic direction. The board also monitors BC Housing's performance based on the province's planning and reporting principles. The board delegates responsibility for the day-to-day leadership and management of BC Housing to the Chief Executive Officer.

The board's governance process and procedures are guided by the Best Practices Guidelines on Governance and Disclosure for Public Sector Organizations as well as other resources such as those published by the Office of the Auditor General. Through the board's Corporate Governance Committee, work is underway to bring practices in line with those required by the Board Resourcing and Development Office, including establishing regular board evaluations and creating programs for board training and succession planning. Please see www.bchousing.org/aboutus/about/governance for more information.

COMMITTEES OF THE BOARD

A new Board of Commissioners was appointed in April 2012. They include: Judy Rogers (Chair), Melvin Kositsky, Sabrina Kunz, Robert Rennie and Faye Wightman. Four standing committees support the role of the Board of Commissioners in fulfilling its obligations and oversight responsibilities:

1. Audit and Risk Management Committee

(Chair: Judy Rogers)

Ensures that the audit process, financial reporting, accounting systems, management plans and budgets, and the system of corporate controls and risk management are reliable, efficient, transparent and effective.

2. Corporate Governance Committee

(Chair: Sabrina Kunz)

Ensures that BC Housing develops and implements an effective approach to corporate governance. This enables the business and affairs of the Commission to be carried out, directed and managed with the objective of enhancing value to government and the public.

3. Human Resources Committee

(Chair: Faye Wightman)

Provides a focus on senior management human resource and compensation matters.

4. Capital Review Committee

(Chair: Robert Rennie)

Provides oversight with respect to capital projects including approving and monitoring an annual capital plan.

Committee membership is comprised of a minimum of three Commissioners including the Committee Chair. The Capital Review Committee was initiated in 2012/13 to enhance BC Housing's governance oversight regarding capital planning. BC Housing has an internal audit function that assures appropriate controls are in place to support business objectives within an acceptable risk framework. The Internal Audit department reports to the Board through the Audit and Risk Management Committee, and also reports administratively to the Chief Financial Officer.

STANDARDS OF CONDUCT

BC Housing's Standards of Conduct guide the conduct for the board, employees, consultants, contractors and suppliers. The Board of Commissioners adheres to the following standards of conduct when exercising its powers and performing the functions of the organization:

- To act honestly, in good faith and in the best interests of BC Housing;
- To exercise care, skill and diligence in decision making; and
- To follow ethical standards to avoid real or apparent conflict of interest between Commissioners' private interests and the interests of BC Housing.

Organizational Chart

The following chart highlights BC Housing's core business areas and the responsibilities and accountabilities in each area.

Minister of Energy and Mines and Minister Responsible for Housing, *Honourable Rich Coleman*

Board of Commissioners, *Judy Rogers, Chair*

Chief Executive Officer, *Shayne Ramsay*

OPERATIONAL BRANCHES

Operations
Vice President: Craig Crawford

- Provides access to existing subsidized housing
- Maintains the quality of existing social housing
- Oversees the management of public housing and group homes
- Administers operating agreements with housing providers
- Builds/leads relationships with housing providers

Development Services
Acting Vice President: Armin Amrolia

- Facilitates the creation of new housing through a range of programs

Homeowner Protection Office
Vice President and Registrar: Wendy Acheson

- Carries out statutory responsibilities under the *Homeowner Protection Act* as Registrar of builder licensing and owner builder exemptions, and ensures compliance with the Act
- Monitors and facilitates the performance of the third-party home warranty insurance system
- Administers the *Home Adaptation for Independence* program

Asset Strategies
Acting Vice President: Michael Pistrin

- Provides portfolio planning and strategies for the maintenance, capital improvement, redevelopment and sustainability of social housing
- Coordinates major repairs, renovations, capital improvements and energy retrofits for social housing

CORPORATE SUPPORT BRANCHES

Corporate Services
Vice President and Chief Financial Officer: Dan Maxwell

- Provides regulatory administration, finance, information systems, research and education, planning, program analysis, and legal services
- Provides mortgage administration for BC Housing and the Provincial Rental Housing Corporation

Human Resources
Vice President: Agnes Ross

- Recruits and trains staff
- Facilitates labour relations, negotiations, compensation, job evaluation, payroll, benefits management, employment equity and multiculturalism
- Oversees occupational health and safety and business continuity
- Develops leadership, employee engagement and retention strategies

Corporate Communications
Acting Vice President: Kathleen Vincent

- Provides a broad range of internal and external communication services including strategic communication strategies, media relations, issues management, housing events / announcements, government and stakeholder relations, website management and publications

THE PROVINCIAL RENTAL HOUSING CORPORATION

The Provincial Rental Housing Corporation (PRHC) was incorporated in 1961 under the *Company Act* and exists solely as BC Housing's land-holding company. It holds provincially-owned social housing properties including public housing, and leases residential properties to non-profit societies and co-operatives. The Minister Responsible for Housing is the sole shareholder of PRHC. PRHC does not employ any staff and is administered by BC Housing with the executive serving as the Board of Directors. Its financial statements and activities are reported to the BC Housing Board of Commissioners to increase oversight and transparency. Annual audited financial statements are posted on BC Housing's website.

Strategic Context

Strategic Context

BC Housing uses an enterprise risk management approach to assess our operational capacity to achieve our strategic priorities. Our approach acknowledges that strategic opportunities and risks often go hand-in-hand. We have the operational, human resource and financial capacity to deliver on our strategic priorities. The following is a summary of our internal and external operating context for 2013/14 to 2014/15.

KEY STRATEGIC RISKS	RESPONSE AND MITIGATION STRATEGIES
1. External Risk Drivers	
Interest Rates Increased interest rates could increase BC Housing's cost of providing subsidies. This is considered to be a low to moderate risk for the year ahead.	• The impact of interest rate fluctuations continue to be mitigated through underwriting practices, laddered mortgage renewal dates and ensuring the mortgage tender process has competitive rates. • A further discussion on financial risks, sensitivities and mitigation strategies is presented in the Financial Overview section.
2. Social Housing Stock	
Loss of Affordable Housing Stock The aging social housing stock impacts the physical condition of the buildings, their environmental footprint and housing providers' ability to respond to people's housing needs. Losses to the stock may occur in specific instances but the longer-term impact of this risk is moderated by existing and planned mitigation strategies.	• Detailed condition assessments are conducted and facility condition indices established for all provincially-owned properties and for non-profit housing over time. • Long-term capital planning tied to portfolio planning and approved funding. Our performance targets for this fiscal year have been adjusted to reflect the available funding. See the Performance Measurement Section for more information. • BC Housing provides ongoing support to the non-profit housing sector to carry out portfolio/capital planning and energy management.
Loss of Key Assets Due to Disaster Loss of one or more key assets through a single event (fire, earthquake, etc.) could culminate from a loss of one or more buildings in close proximity. While the likelihood is low, the impact would be major.	• Regularly updated business continuity plans and a secured disaster recovery site in another province protect BC Housing's data and information technology systems and our ability to continue operating. • We provide fire-safety and rapid damage assessment training to appropriate staff and will be providing similar training to our non-profit partners. • BC Housing provides funding to non-profit housing partners to purchase property insurance.

Strategic Context *(continued)*

KEY STRATEGIC RISKS	RESPONSE AND MITIGATION STRATEGIES
3. Non-Profit Housing Sector	
Loss of Affordable Housing Stock The possible loss of affordable housing stock exists when an operating agreement between the province and a non-profit housing provider expires, with particular concern for the loss of rent-geared-to-income stock. Given that this risk has the potential to negatively impact tenants, the broader sector and BC Housing's ability to deliver on strategic priorities, a range of planning activities and initiatives are underway.	• Together with BC Non-Profit Housing Association, we are carrying out the following: – research and analysis for the purpose of developing strategies to support non-profits with the transitional impact of expiry of operating agreements, and to ensure financially sustainable operating models, and – initiatives that will support non-profit housing providers to carry out portfolio/capital planning and energy management. • Collaboration with our provincial and territorial colleagues across the country who are experiencing the same issues.
4. Human Capital / People	
Employee Engagement and Recruitment This risk is associated with BC Housing's ability to retain staff over the long-run, attract people with needed skill sets to replace aging workforce over the next five to 10 years, and to provide proper support and training to current staff.	• BC Housing has a robust *People Strategy* with a focus on leadership and learning, training and development recruitment, engagement and social and environmental responsibility. • We strive to remain an employer of choice through programs such as *Community Connections, Leadership Development, Rewards for Great Job* and *Great Find*. • An annual employee engagement survey is conducted to identify trends and inform strategies.

Performance Measurement Framework

Introduction

Our Performance Measurement Framework (PMF) provides strong linkages with government's directions as set out in *Housing Matters BC*. With a focus on continuous improvement, each year we review the alignment of the PMF to ensure that it is an effective performance measurement tool, accurately reflects the business and informs our partners and the public of the progress we have made or the challenges encountered throughout the year.

For the 2013/14 service planning period, adjustments have been made to the following performance measures (when compared to the previous service plan).

Target adjustments based on current forecasting and trends:

- Number of new units/beds created for priority groups
- Number of new households assisted through rent assistance programs
- Percentage of clients belonging to priority groups in subsidized housing
- Percentage of homeless individuals accessing housing who remain housed six months after placement
- Builders' rating of the effectiveness of compliance efforts to monitor and enforce licensing and home warranty insurance requirements and the owner builder exemption

New targets set following baseline-year data collection:

- Reduction in the number of indicators requiring follow-up by non-profit housing providers as a result of operational review findings
- Facility Condition Index

Adjustments to measurement:

- Tenants' rating of BC Housing's service delivery, to more clearly focus on BC Housing's performance and identify areas where improvements can be made

Performance results are benchmarked externally where possible. Further information regarding these target and performance measurement changes, as well as more information on our PMF is contained in the Service Plan Appendix – Performance Measure Details.

BC Housing's Performance Measurement Framework 2013/14 – 2015/16

STRATEGIC PRIORITIES & OBJECTIVES	MEASURE	11/12 RESULTS	12/13 FORECAST	13/14 TARGET	14/15 TARGET	15/16 TARGET
Strategic Priority 1: Support a Strong Non-Profit Housing Sector						
Collaborate with our non-profit housing partners to ensure long-term provision of social housing	Reduction in the number of indicators requiring follow-up after an operational review	New measure commencing 2012/13	Baseline year	65% or higher	65% or higher	70% or higher
Strategic Priority 2: Respond to Critical Gaps Along The Housing Continuum						
Increase housing options	Number of new units/beds created for priority groups	2,014	971	1,040	1,157	451
	Number of new households assisted through rent assistance programs	6,861	6,500	7,000	7,000	7,000
Available housing targeted to vulnerable citizens	Percentage of clients belonging to priority groups in subsidized housing	88%	88%	85% or higher	85% or higher	85% or higher
Provide opportunities for greater housing stability	Percentage of homeless individuals accessing housing who remain housed six months after placement	81%	79%	75% or higher	75% or higher	75% or higher
Strategic Priority 3: Enhance Aboriginal Housing Partnerships						
Facilitate opportunities that increase a self-reliant Aboriginal housing sector	Progressive Aboriginal Relations (PAR) Certification	New measure commencing 2012/13; collect baseline information	Bronze[1]			Silver

[1] The Progressive Aboriginal Relations (PAR) certification is awarded every three years. The bronze designation target was set in our Service Plan for 2012/13-2014/15. In September 2012, BC Housing was awarded the silver designation; discussion of this will be included in the upcoming Annual Report.

BC Housing's Performance Measurement Framework 2013/14 – 2015/16 *(continued)*

STRATEGIC PRIORITIES & OBJECTIVES	MEASURE	11/12 RESULTS	12/13 FORECAST	13/14 TARGET	14/15 TARGET	15/16 TARGET
Strategic Priority 4: Help Bring About Improvements to The Quality of Residential Construction and Strengthen Consumer Protections						
Promote consumer protections and compliance with the *Homeowner Protection Act*	Builders' rating of the effectiveness of compliance efforts to monitor and enforce licensing and home warranty insurance requirements and the owner builder exemption	80%	83%	80% or higher	80% or higher	80% or higher
Strategic Priority 5: Sustainability Leader						
Adequate provisions for future requirements	Facility Condition Index	22% (Preliminary result)	Establish baseline	Maintain baseline	2% increase over 2012/13 baseline	5% increase over 2012/13 baseline
Environmental leadership in the housing sector	Percent reduction in greenhouse gas emissions from 2005 levels[2]	16%	10%	10%	10%	10%
Strategic Priority 6: Organizational Excellence						
Financial and operating success	Controllable administration costs as percentage of program delivery costs	7.2%	10% or less	10% or less	10% or less	10% or less
	Tenants' rating of BC Housing's service delivery	72%	74% or higher	New measurement; establish baseline	To be determined	To be determined
High level of employee engagement	Employee engagement index	Top quartile	Top quartile	Top quartile	Top quartile	Top quartile

[2] The results for this measure are based on a calendar year. For example, 2011 results were reported in the 2011/12 Annual Report, results for 2012 will be reported in the 2012/13 Annual Report.

Strategic Priority 1:
Support a Strong Non-Profit Housing Sector

BC Housing supports a strong non-profit housing sector through relationship-building and collaboration. Non-profit housing providers and BC Housing share a common purpose to provide stable, safe and affordable housing. Together we work toward ensuring the sustainability of the sector and provision of social housing over the long-term. Our mutual success depends on being strategic about priorities and making the best use of our different but complementary capabilities.

KEY STRATEGIES:

1. Provide support to housing providers to help improve financial and operating practices;
2. Work with the sector to:
   - Address common issues with the expiry of operating agreements and support non-profit housing providers through transitional impacts
   - Support housing providers to carry out portfolio/capital planning and energy management with the goal of ensuring adequate provisions for future requirements;
3. Take steps to move towards an outcome-based approach to funding and program management; and
4. Better support the needs of non-profit housing providers following the re-alignment of our services in 2012/13.

Work on each of these key strategies is underway; most are longer-term in nature. Over the 2013/14-2014/15 period, BC Housing plans to develop specific strategies to respond to the needs of non-profit housing providers regarding the expiry of operating agreements, including our participation in the provincial/territorial forums. Also, we will continue to identify specific actions that will support non-profit providers with day-to-day administration, such as initiating information technology roundtable discussion sessions throughout the province.

Strategic Priority 1: Support a Strong Non-Profit Housing Sector (continued)

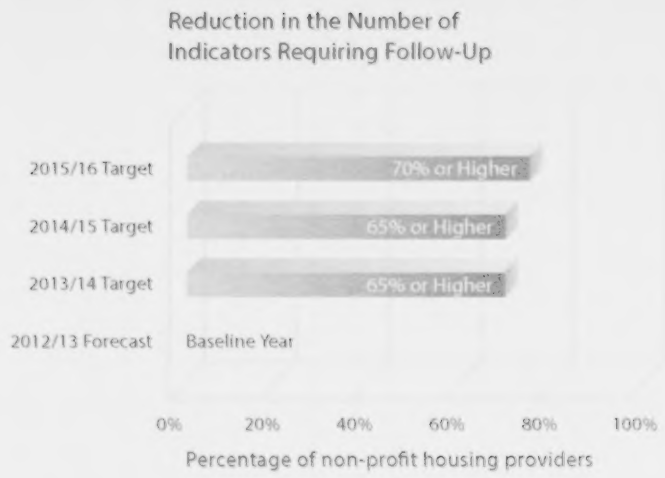
Objective: Collaborate with Our Non-Profit Housing Partners to Ensure Long-Term Provision of Social Housing

MEASURE: REDUCTION IN THE NUMBER OF INDICATORS REQUIRING FOLLOW-UP AFTER AN OPERATIONAL REVIEW

The measure focuses BC Housing's collaborative efforts with the non-profit housing providers to improve financial and operational practices within the sector.

Partnerships between BC Housing and non-profit housing providers are essential for the delivery and maintenance of subsidized housing throughout the province.

Consultation with non-profit housing providers and BCNPHA has provided valuable insight into the capacity and priorities of the sector.



With the aim of better supporting the financial and operational practices of the non-profit housing sector, consultations were conducted resulting in the identification of key indicators that form the foundation for the financial and operational review process. These indicators focus on financial and operational practices in each of the following key areas:

- Property management
- Tenant/client management
- Financial management
- Health and safety
- Support services (if applicable to that site)
- Capital asset plan (future).[3]

Items identified in the on-site review requiring follow-up form the basis of a work plan that is jointly developed by the non-profit housing provider and their BC Housing Non-Profit Portfolio Manager. The work plan outlines the actions required and timelines for completion. BC Housing's Non-Profit Portfolio Manager then works closely with the non-profit housing provider, supporting them as appropriate, to complete any items identified.

Targets for this measure are based on the percentage of non-profit housing providers requiring follow-up with five or fewer indicators, as determined through the work plan developed after operational review. As the number of indicators requiring follow-up decrease after a work plan is developed, the number of non-profit housing providers with improved financial and operational capacity will increase.

[3] The capital asset plan is currently monitored under the Facility Condition Index performance measure and these results will inform the operational review measure going forward.

Strategic Priority 2:
Respond to Critical Gaps Along the Housing Continuum

BC Housing responds to critical gaps along the housing continuum and expands the range of housing choices and supports for British Columbians in greatest need. This is carried out with our housing partners. This strategic priority supports our policy direction under *Housing Matters BC* and builds on programs and initiatives put into place since 2006.

KEY STRATEGIES:

1. Develop and implement initiatives to meet housing needs through:
   - Implementing measures to break the cycle of homelessness;
   - Creating new housing options through a range of programs;
   - Facilitating innovative partnerships to create new affordable housing;
   - Providing rent assistance to low-income renters in the private market;
   - Offering assistance to improve the physical accessibility of homes for low-income homeowners and renters;
   - Identifying ways to further our activities to support families;
2. Make the best use of existing social housing and integrated supports to meet needs of priority groups; and
3. Work with Ministry partners to analyze province-wide demographic trends and identify critical housing gaps.

A challenging aspect of this strategic priority is the ability to ensure the needed support services for vulnerable clients. Already underway are programs and initiatives that target vulnerable populations. We are able to realize success in serving such vulnerable client groups by working with partner service organizations in local communities. Going forward, BC Housing will place a greater emphasis on increasing affordable rental and ownership options for a range of groups including seniors and families through programs such as the *Community Partnership Initiatives*.

Strategic Priority 2: Respond to Critical Gaps Along the Housing Continuum (continued)

Objective: Increase Housing Options

MEASURE: NUMBER OF NEW UNITS/ BEDS CREATED FOR PRIORITY GROUPS

This measure monitors BC Housing's performance, through partnerships with non-profit housing providers, in creating new units along the housing continuum. Through our programs we are able to add new housing units for priority groups identified as being the most vulnerable, such as frail seniors, Aboriginal households, people with physical and mental disabilities as well as individuals who are homeless.

The targets are based on the completion of new units (or short-stay emergency beds in some cases) under existing funding programs, such as *Provincial Homelessness Initiative, Memoranda of Understanding* with local governments, the *Federal/Provincial Housing Initiative, Canada/BC Investment in Affordable Housing*, the *Seniors' Rental Housing* initiative and *Community Partnership Initiatives*.

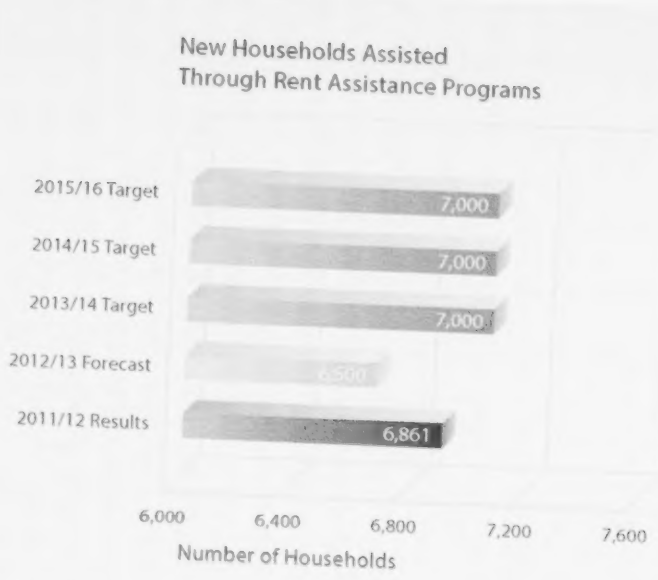
Objective: Increase Housing Options *(continued)*

MEASURE: NUMBER OF NEW HOUSEHOLDS[1] ASSISTED THROUGH RENT ASSISTANCE PROGRAMS

This measure monitors the performance of BC Housing's rent assistance programs, *Rental Assistance Program* and *Shelter Aid for Elderly Renters* in improving access to affordable rental housing within the private market for low-income households.

These programs assist working families and seniors who do not have enough income to secure affordable housing by bridging the gap between market rents and what a household can afford.

This measure reports on the number of new households receiving subsidies under each of the programs. Target levels reflect estimated program take-up based on past trends as well as the projected level of future demand.



[1] A new household is defined as a household that is receiving rent subsidies for the first time, or a household that is re-entering the relevant program after a minimum of three months without any subsidy.

Strategic Priority 2: Respond to Critical Gaps Along the Housing Continuum *(continued)*

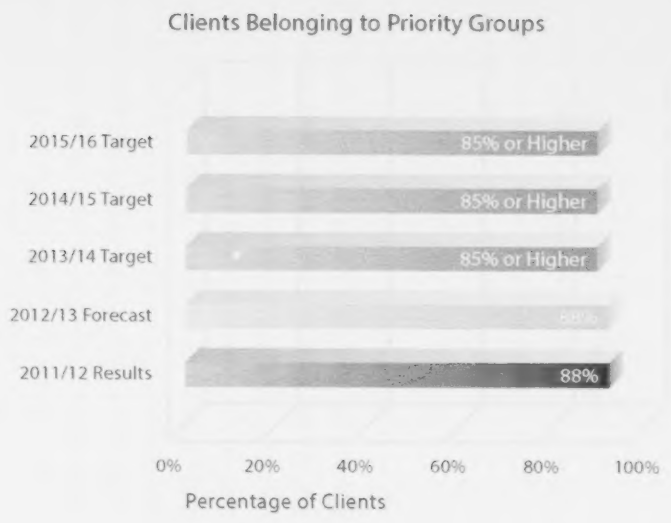
Objective: Available Housing Targeted to Vulnerable Citizens

MEASURE: CLIENTS BELONGING TO PRIORITY GROUPS IN SUBSIDIZED HOUSING

Through this measure we track our performance in ensuring that those in greatest need receive priority assistance for housing.

Priority groups, for the purposes of this measure, are identified as:

- Low-income or frail seniors;
- Persons with physical or mental disabilities;
- Persons with a mental illness;
- Women and children who have experienced domestic violence;
- Individuals facing alcohol and drug addiction challenges;
- Aboriginal families and individuals; and,
- Those who are homeless or at risk of homelessness.



The targets are set to reflect the projected number of households in government-assisted housing within one of the designated priority groups, as well as the anticipated number of new and acquired housing units, all of which are targeted to priority groups.

Objective: Provide Opportunities for Greater Housing Stability

MEASURE: PERCENTAGE OF HOMELESS INDIVIDUALS ACCESSING HOUSING WHO REMAIN HOUSED SIX MONTHS AFTER PLACEMENT

Measuring the percentage of homeless individuals accessing housing and remaining housed six months after placement enables us to monitor and assess the performance outcomes of programs and initiatives intended to break the cycle of homelessness. Generally, the longer an individual is housed, the greater the likelihood they will remain housed.

This measure takes into account the number of homeless people who have remained housed six months from their housing date through the *Emergency Shelter Program, Homeless Outreach Program* or *Aboriginal Homeless Outreach Program*. Only clients whose housing status can be verified at the six month anniversary of being housed are included in this measure.

Homeless Individuals Accessing Housing Who Remain Housed Six Months after Placement

Since the beginning of tracking this measure, it appears that the capacity of outreach and health-related housing support services have reached their maximum, and performance results have stabilized. This trend has been verified with research conducted in the past year, which included interviews with service providers who reported the challenges associated with housing individuals diagnosed with multiple health and social issues, and the service capacity needed to keep this client group housed. As a result, the performance target was adjusted to 75 per cent from 85 per cent in last year's Service Plan.

Strategic Priority 3:
Enhance Aboriginal Housing Partnerships

BC Housing works with the Aboriginal housing sector to enhance partnerships to address Aboriginal housing need and increase self-reliance within the sector. *Housing Matters BC* identifies Aboriginal housing need as a priority issue recognizing that Aboriginal peoples are more likely to be in core housing need and are significantly over-represented within the homeless population.

KEY STRATEGIES:

1. Build on strong partnerships with the Aboriginal Housing Management Association and Aboriginal housing providers, including administrative and staff support, that will result in culturally-appropriatehousing options;
2. Transfer the ownership of Rural and Native Housing program to Aboriginal housing providers and organizations to support self-reliance in the sector;
3. Ensure that there are other lasting benefits to the Aboriginal communities that we work with through a range of initiatives such as housing-related training and employment; and
4. Provide BC Housing staff with opportunities to participate in Aboriginal cultural sensitivity training.

This strategic priority is about building capacity within the Aboriginal housing sector, and recognizes that much needs to be done to respond to the disproportionate housing need within the Aboriginal community. BC Housing is making strides in implementing our key strategies; thisincludes seconding staff to the Aboriginal Housing Management Association (AHMA) to facilitate the continued transfer of administration of Aboriginal social housing. This coming fiscal year, BC Housing will explore partnershipoptions for supporting improved housing conditions on-reserve.

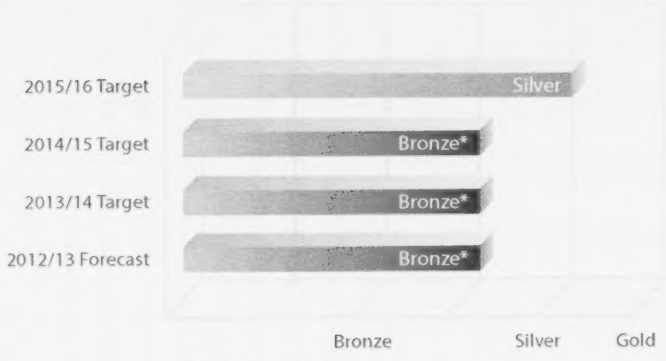
Objective: Facilitate Opportunities that Lead to a More Self-Reliant Aboriginal Housing Sector

MEASURE: PROGRESSIVE ABORIGINAL RELATIONS (PAR) CERTIFICATION

BC Housing recognizes the importance of building strong partnerships with the Aboriginal housing sector as a means of addressing housing needs and supporting the sector towards greater self-reliance.

This measure relies on an existing certification program, the Progressive Aboriginal Relations (PAR) Certification, whereby BC Housing's broad range of initiatives and partnerships with Aboriginal communities are assessed by an independent third-party organization, the Canadian Council for Aboriginal Business (CCAB).

Progressive Aboriginal Relations (PAR) Certification



*This certification is awarded every three years. The bronze designation target was set in our last Service Plan. In September 2012, BC Housing was awarded the silver designation.

The CCAB assesses our commitment to the Aboriginal sector through four key performance areas: employment, business development, community investment and community engagement. Assessment results are certified at a bronze, silver or gold level, depending on how the organization has demonstrated its performance under the four performance areas.

Benchmarking is conducted on a national level against other Canadian companies participating in the PAR Certification program. Current PAR certified companies and organizations include BC Hydro, Canada Post, IBM and BMO Financial Group. As of 2012/13, BC Housing is the first social housing provider in Canada to be certified under the PAR program.

Strategic Priority 4:
Help Bring About Improvements in the Quality of Residential Construction and Strengthen Consumer Protections

BC Housing provides, in partnership with industry and consumer organizations, consumer protection for buyers of new homes and works to ensure continuous improvement in the quality of residential construction. These activities help support consumer confidence and a thriving residential construction sector in British Columbia. This strategic priority supports the *Housing Matters BC* goal that our building regulatory system is safe, stable and efficient.

KEY STRATEGIES:

1. Work with the Professional Builders' Institute as well as industry associations to create an accreditation system for builder education and education providers;
2. Ensure ongoing compliance under the *Homeowner Protection Act* to support consumer protections; and
3. Carry out strategic research and education to support continuous improvement in quality of residential construction and consumer awareness.

Significant progress has been made in working with the Professional Builders' Institute over the past year. Research and education products delivered by the Homeowner Protection Office are well-respected within the industry. These products are also beginning to influence and benefit the non-profit housing sector, for instance, best practices and guidelines pertaining to building envelope maintenance.

In 2013/14 BC Housing will build upon work underway with consumer and industry groups towards creating a formal appeal mechanism for warranty insurance claim decisions.

Objective: Promote Consumer Protections and Compliance with the *Homeowner Protection Act*

MEASURE: BUILDERS' RATING OF THE EFFECTIVENESS OF COMPLIANCE EFFORTS TO MONITOR AND ENFORCE LICENSING AND HOME WARRANTY INSURANCE REQUIREMENTS AND THE OWNER-BUILDER EXEMPTION

This is a measure of the overall health of the builder licensing, home warranty insurance and owner-builder authorization system whereby compliance issues are dealt with quickly and effectively by the Homeowner Protection Office branch. Assessment of performance is best done by industry participants (licensed residential builders) who operate their businesses within the regulatory framework.

This measure is now reported on an annual basis to more effectively monitor performance. The targets for this measure have been adjusted to 80 per cent or higher from 84 per cent in the last year's Service Plan due to several factors: stabilization of performance results at a high level, and the inherent margin of error involved in reporting results.

Builders' Rating of the Effectiveness of Compliance Efforts to Monitor and Enforce Licensing and Home Warranty Insurance

Strategic Priority 5: Sustainability Leader

BC Housing works to ensure the long-term sustainability of the social housing stock in British Columbia for the benefit of those in greatest housing need, and while doing so lessening our impact on the environment. This strategic priority supports *Housing Matters BC* which identifies leadership in sustainability as a priority.

KEY STRATEGIES:

1. Carry out sustainable asset planning and implementation for the maintenance, capital improvement, redevelopment and energy management of the public housing stock;
2. Implement initiatives through our *livegreen* Housing Sustainability Plan to promote environmental sustainability in our work and more broadly within the housing sector; and
3. Expand our approach to sustainability to leverage both environment and social benefits from the work we do through a more deliberate and holistic approach to corporate social responsibility.

This strategic priority builds on our ongoing efforts to protect and manage existing social housing for the long-term, including major upgrades and retrofits of existing social housing buildings carried out over the past several years and ongoing work with the BC Non-Profit Housing Association to build non-profit housing sector capacity in the area of capital planning. It also incorporates our sustainability efforts through our *livegreen Housing Sustainability Plan* that was initiated in 2008. Over the next fiscal year, we plan to further evaluate and communicate our experience in sustainable buildings for the benefit of the broader housing sector.

Objective: Adequate Provisions for Future Requirements

MEASURE: FACILITY CONDITION INDEX

As part of BC Housing's focus on continuous improvement, the Facility Condition Index (FCI) measure was introduced a few years ago as a means of quantifying and measuring improvements made to the physical condition of the social housing stock. The FCI value is an indication of the condition of the building – a lower value corresponds to a better building condition.

Work continues to set an accurate baseline for this measure. Initially, the baseline for 2011/12 was forecast to be 30 per cent (as noted in last year's Service Plan), however, further verification and analysis is required. This task will be completed in 2012/13. Future targets have been revised based on available funding to carry out major rehabilitation and repairs to the social housing stock.

A valuable decision-making tool, BC Housing uses the FCI to assist with investment decisions and strategic directions regarding capital works and budgets for social housing.

Strategic Priority 5: Sustainability Leader *(continued)*

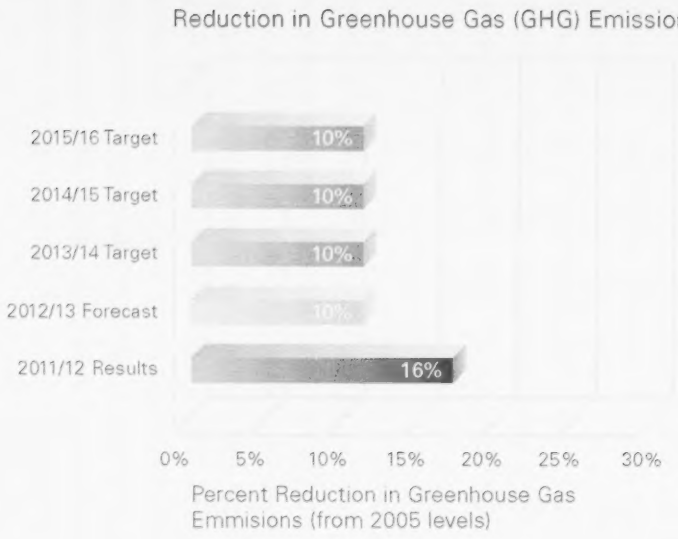
Objective: Environmental Leadership in the Housing Sector

MEASURE: PERCENT REDUCTION IN GREENHOUSE GAS EMISSIONS

This measure tracks BC Housing's progress in reducing greenhouse gas (GHG) emissions and maintaining carbon neutral status as required by the *Greenhouse Gas Reductions Target Act*.

In 2011/12 the measure was broadened from focusing on directly managed buildings and offices to include the GHG emissions from the entire housing portfolio of buildings owned or leased by BC Housing. This change aligned our reporting with the Carbon Neutral Regulation. Targets are set to be maintained at a 10 per cent reduction in GHG emissions from the 2005 level, unchanged from last year's Service Plan.

Results continue to be calculated on GHG emissions changes within a calendar year, in accordance with legislative requirements.



Strategic Priority 6: Organizational Excellence

BC Housing provides cost-effective solutions and value for money in carrying out our mandate.

KEY STRATEGIES:

1. Strengthen board governance to meet best practices;
2. Identify organizational and operational efficiencies, and ensure that appropriate structures and processes are in place to control costs and manage risks;
3. Ensure a client-centered approach in all of our work; and
4. Continued focus on our *People Strategy* to ensure we have effective, engaged and aligned employees.

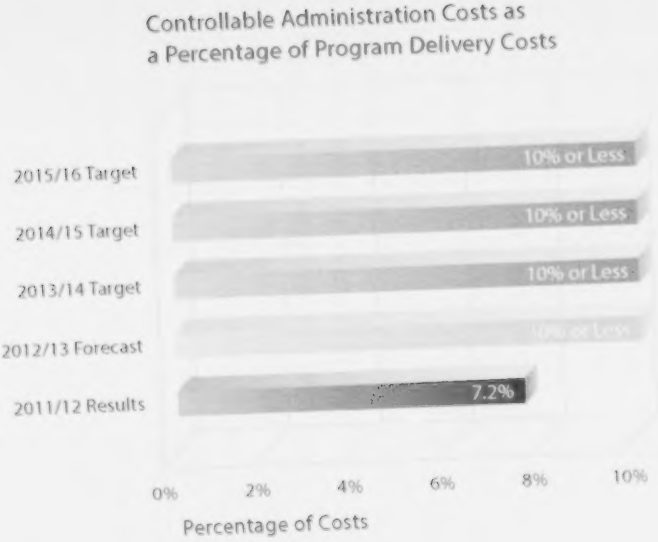
In Spring 2012 a new Board of Commissioners was appointed to BC Housing. This is a crucial step towards strengthening our system of governance and work is ongoing to ensure continuous improvement in the area of Board governance and oversight.

In 2013/14 BC Housing will continue to improve our client-focused services, for example, to ensure we continue to be culturally appropriate in delivering our programs and services.

Objective: Financial and Operating Success

MEASURE: CONTROLLABLE ADMINISTRATION COSTS AS A PERCENTAGE OF PROGRAM DELIVERY COSTS

This financial measure assesses the efficiency of BC Housing's management practices by comparing the percentage of controllable administration costs to program delivery costs. The target of 10 per cent or less is BC Housing's standard based on our performance history and ensures that BC Housing continues to maintain this level of performance. The measure is unchanged from last year's Service Plan.



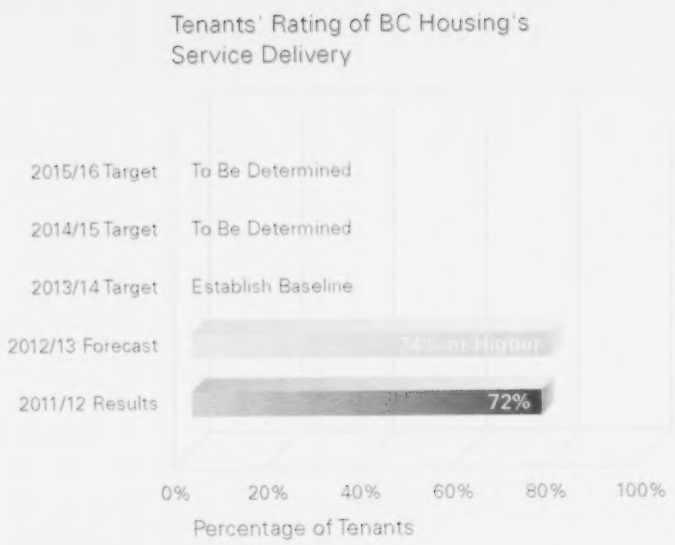
Objective: Financial and Operating Success *(continued)*

MEASURE: TENANTS' RATING OF BC HOUSING'S SERVICE DELIVERY

This measure is an important indicator of the quality of our service delivery to tenants in BC Housing's directly managed buildings (public housing).

Prior to 2012/13, we reported on the percentage of tenants reporting satisfaction with the quality and safety of their housing. For 2012/13 we will report on the percentage of tenants in BC Housing's directly managed properties indicating their rating of BC Housing staff's performance as either "very good" or "good" in terms of meeting their housing needs.

Despite the change made in 2012/13 reporting, we believe further improvements can be made to this measure to more clearly identify areas where we can make improvements that address tenants' needs, and to use this as a basis for measuring our performance. Therefore, in 2013/14 we will revisit the questions contained in the annual tenant survey. As this is a change in methodology, a new baseline year is required with future targets to be based on 2013/14 results.



Strategic Priority 6: Organizational Excellence *(continued)*

Objective: High Level of Employee Engagement

MEASURE: EMPLOYEE ENGAGEMENT INDEX

BC Housing's employees play a critical role in organizational performance. Engagement is a productivity indicator based on employee satisfaction and motivation. Focusing on employee engagement fosters an environment of creativity, innovation, organizational excellence and customer service. A significant contributor to an engaged workforce is access to leadership, learning and growth opportunities serve to meet business objectives as well as the personal aspirations of employees.

The measure is based on an annual staff survey that gathers feedback on different aspects of the work environment. The survey is designed to gauge the extent to which BC Housing has been successful in building a culture of employee engagement and to identify opportunities for improvement. Results are benchmarked with other employers through the use of standard industry survey instruments. The target is set to ensure that employee engagement continues to be an important focus within the organization and is supported by its *People Strategy*.

Financial Overview

Summary Financial Outlook

SUMMARY OF FINANCIAL RESULTS AND BUDGET PROJECTIONS – 2007/08 TO 2015/16

(in thousands of dollars)

	2007/08 Actual	2008/09 Actual	2009/10 Actual	2010/11 Actual	2011/12 Actual	2012/13 Forecast	2013/14 Budget	2014/15 Budget	2015/16 Budget
Revenues									
Provincial Share *	351,690	429,457	390,738	481,472	474,031	419,754	395,854	402,007	393,681
Federal Share	141,270	142,461	165,245	223,423	239,501	183,079	178,993	156,534	143,131
Other **	46,802	54,730	64,640	59,168	56,074	56,901	54,571	54,126	54,118
Total Revenues	539,762	626,648	620,623	764,063	769,606	659,734	629,418	612,667	590,930
Expenditures									
Housing Subsidies	337,133	380,981	400,552	552,307	554,113	435,352	408,294	390,269	367,205
Rent Assistance	45,517	64,022	73,334	76,716	82,327	87,373	91,200	91,224	91,299
Building Repairs and Maintenance	68,804	60,629	32,849	24,788	24,089	26,620	22,519	24,027	24,169
Operating Costs	47,862	55,772	62,889	51,021	47,744	47,532	45,147	45,761	46,652
Other	40,313	65,153	50,973	59,181	61,279	62,857	62,258	61,386	61,605
Total Expenditures	539,629	626,557	620,597	764,013	769,552	659,734	629,418	612,667	590,930
Net Income***	133	91	26	50	54	-	-	-	-
Total Debt	1,000	75,201	53,026	110,475	140,919	135,919	130,919	142,919	142,919
Retained Earnings***	1,382	1,473	1,499	4,717	4,742	4,742	4,742	4,742	4,742
Capital Expenditures	5,926	14,995	6,610	3,595	4,772	5,000	5,000	5,000	5,000

* In 2013/14 this includes funding of $366.0 million provided directly by the provincial government to BC Housing, $12.0 million from the *Housing Endowment Fund* and $17.8 million provincial funding through other partnering ministries and agencies.

** This includes tenant rent and revenues from other sources including builder licensing fees.

*** $3.2 million of retained earnings from the Homeowner Protection Office were transferred to BC Housing in 2010/11.

The above chart shows BC Housing's actual and forecasted financial outlook from 2007/08 through 2015/16. The 2013/14 total budget is forecasted at $629.4 million.

REVENUES

Over 90 per cent of BC Housing's revenues are received through contributions from the provincial and federal governments (see "Revenues" chart below). The remaining revenues come from tenant rent and revenues from other sources including builder licensing fees.

The majority of the fluctuations seen in the Revenues chart (below) are the result of streams of provincial and federal funding associated with a variety of capital grant initiatives. Many of these initiatives consist of multi-year funding envelopes where the funding is committed based on construction schedules. Some of the major initiatives include:

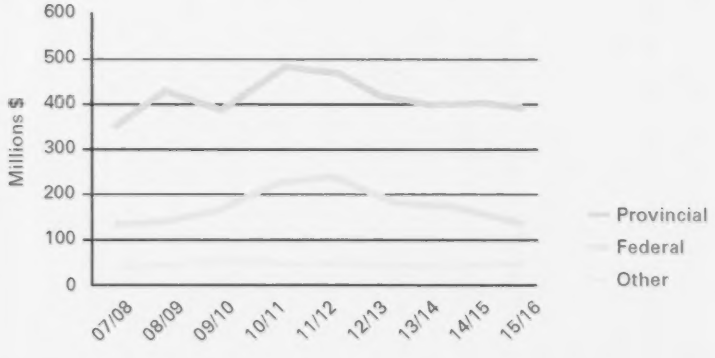
- Provincially-funded capital grants under the *Memoranda of Understanding* with municipalities have a $240 million funding envelope running from 2009/10 through 2014/15;
- The recent Canada/BC Investment in Affordable Housing (IAH) agreement which will result in an additional $90 million of federal funding from 2011/12 through 2013/14 to help facilitate affordable housing programs for B.C. residents;
- Provincial/federal cost shared Economic Stimulus grants for infrastructure projects to increase the supply of provincially-owned housing for seniors and persons with disabilities have a $128.0 million funding envelope running from 2009/10 through 2013/14;
- Provincial/federal cost shared Economic Stimulus grants to renovate and modernize aging publically-owned housing stock have a $177 million funding envelope running from 2009/10 through 2012/13;
- Federal grants under the *Affordable Housing Initiative* have a $31.7 million funding envelope running from 2009/10 through 2011/12; and
- Numerous older initiatives such as housing trust grants, Aboriginal housing trust grants and supportive seniors housing grants.

The remaining provincial government contributions help to fund BC Housing's ongoing operating and support costs. These contributions have grown from $291.0 million in 2007/08 to a forecasted $367.6 million in 2015/16. This is a result of new housing initiatives and programs such as the *Provincial Housing Initiative, Independent Living BC, Women's Transition Housing and Supports, Homeless Outreach Program, Aboriginal Homeless Outreach Program, Emergency Shelter Program, SRO Renewal Initiative,* and most recently the *Memoranda of Understanding* (MOUs) with local governments.

The federal government also provides funding for BC Housing's ongoing operating costs. After excluding the capital grant initiatives mentioned above, the remaining funding drops from $140.3 million in 2007/08 to a forecasted $132.9 million in 2015/16. This reduction is the result of the ongoing expiration of various projects in the older federally funded programs.

As a branch of BC Housing, the Homeowner Protection Office is fully self-supporting and is anticipated to generate approximately $5 million in revenues through the collection of builder licensing fees. This revenue will fund costs associated with the licensing and home warranty insurance system as well as research and education respecting residential construction and consumer protection.

Revenues – 2007/08 to 2015/16



Summary Financial Outlook *(continued)*

EXPENDITURES

BC Housing's expenditures largely comprised of housing subsidies, rental assistance, building repairs and maintenance, and general housing operating costs. Housing subsidies make up the majority of BC Housing's expenditures, ranging from 62 per cent to 72 per cent of the total budget (see "Expenditures" chart, below). These are ongoing subsidies for non-profit societies as well as one-time capital grants for new construction or renovations of subsidized housing. Rent assistance has been increasing consistently since 2005/06 as a result of improvements to the *Shelter Aid for Elderly Renters* program and the implementation of the *Rental Assistance Program*. It is expected to stabilize at approximately $91 million in 2013/14.

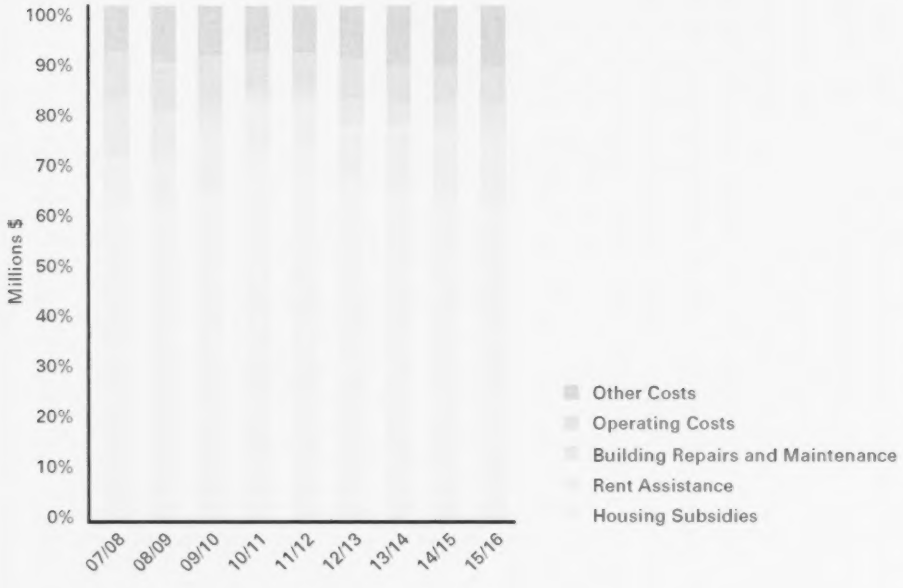
Building repairs and maintenance will drop from a historic $68.8 million in 2007/08 to a forecasted $24.2 million in 2015/16 as a result of modernization work being funded through infrastructure grants.

Operating costs fluctuate over time, ranging between $45.1 million and $62.9 million. The majority of these changes are the result of new projects being acquired by BC Housing, where BC Housing takes on associated operating costs and responsibilities. These projects are subsequently transferred to non-profit societies where BC Housing incurs housing subsidy payments rather than internal operating costs. "Other costs" have grown in line with the overall growth of the organization and increased in 2010/11 when the Homeowner Protection Office joined BC Housing.

KEY ASSUMPTIONS

- Provincial and federal contributions will match existing approvals;
- Interest rates for mortgage takeout and renewal based on Provincial Treasury Board forecast;
- Construction activity for new builds and renovations will match planned schedules; and
- Rent assistance take-up will continue to follow existing trends.

Expenditures – 2007/08 to 2015/16



Key Financial Risks, Sensitivities and Risk Mitigation Strategies

The chart below summarizes our key financial risks, sensitivity analysis and mitigation strategies.

POTENTIAL RISKS	SENSITIVITIES RISK MITIGATION	STRATEGIES & OPPORTUNITIES
Mortgage/ interest rate fluctuations	A one per cent increase above the budgeted mortgage rate would increase housing subsidies by about $1.15 million in 2013/14 and up to $2.9 million in 2014/15	• Bulk tendering of mortgages • Laddered renewal dates with less than 20 per cent of portfolio renewed in a year • Staggered mortgage terms • Locked-in longer mortgage terms at lower interest rates • Low-interest construction financing to reduce new housing capital costs, thereby reducing ongoing subsidies
Investment return fluctuations	Volatility in the global financial markets impacts the rate of return on investments	• Engage sound investment managers that balance risk and return over the long-term • Diversify the portfolio with a strategic asset mix of various financial instruments such as equities and bonds • Review and rebalance the strategic asset mix as required
Higher heating costs	A $1 increase per gigajoule in the price of natural gas would increase the budgeted estimates by approximately $0.25 million in 2013/14	• Development of a retrofit strategy • Implementation and installation of energy efficient equipment resulting in reduced energy consumption
Higher inflation	A one per cent increase above the budgeted Consumer Price Index would increase expenses by $0.74 million in 2013/14	• Bulk purchasing for insurance, natural gas and appliances • Best practices in operational and management by housing providers

BC Housing's Business Overview

The tables below provide an overview of BC Housing's key activities and expected results for 2013/14.

Key Activities and Expected Results for 2013/14

REVENUES AND EXPENDITURES

Funding		**Expenses**	
Provincial Government	$378.0 M	Emergency Shelters & Housing for Homeless	$181.3 M
Federal Government	$179.0 M	Transitional Supported & Assisted Living	$148.6 M
Tenant Rent	$37.7 M	Independent Social Housing	$198.3 M
Provincial Partnering Ministries & Agencies	$17.8 M	Rent Assistance in Private Market (Independent)	$91.0 M
HPO Fees	$4.7 M	HPO Administration and Research & Education	$4.7 M
Other	$12.2 M	*Home Adaptations for Independence*	$5.5 M
Total	**$629.4 M**	**Total**	**$629.4 M**

GOVERNMENT ASSISTED HOUSING (UNITS)*

Emergency Shelters & Housing for Homeless	11,340 units
Transitional Supported & Assisted Living	19,150 units
Independent Social Housing	41,560 units
Rent Assistance in Private Market (Independent)	27,980 units
Total Units	**100,030 units**

CONSUMER PROTECTION & INCREASED QUALITY OF RESIDENTIAL CONSTRUCTION

Residential Builders Licenses (New and Renewals)	5,000
Owner Builder Authorizations	2,500
New Homes Enrolled in Home Warranty Insurance	23,000
Research & Education Initiatives**	

* Due to the diverse number of programs delivered by BC Housing, the term unit may refer to a bed, room, apartment or household assisted through a rental subsidy program. Units may differ between programs and/or within programs, depending on the program delivery requirements and available resources.

** The complete range of research and education initiatives carried out through the Homeowner Protection Office branch can be found online at www.hpo.bc.ca/technical-research-education.

Contact Information

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LOWER MAINLAND NON-PROFIT OFFICE

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NORTHERN REGION: PRINCE RUPERT AREA OFFICE

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Website: www.bchousing.org

Appendix

Appendix – Performance Measure Details

This section outlines the disclosure of key reporting judgments, including data sources, methodology, data reliability, and benchmarks. Also outlined in this section are the key changes made since the 2012/13-2014/15 Service Plan.

The strategic priorities, objectives and performance measures remain unchanged from the previous Service Plan. For the 2013/14 service planning period, adjustments have been made to eight performance measures when compared to the previous Service Plan.

Strategic Priority 1: Support a Strong Non-Profit Housing Sector

MEASURE: REDUCTION IN THE NUMBER OF INDICATORS REQUIRING FOLLOW-UP AFTER AN OPERATIONAL REVIEW

Changes to Performance Targets

- Targets were established for this measure following baseline year data collection

Targets	2012/13 Service Plan Targets	2013/14 Revised Service Plan Targets
2012/13	Establish baseline	Baseline year
2013/14	n/a	65% or Higher
2014/15	n/a	65% or Higher
2015/16	n/a	70% or Higher

Data Source

- Data is gathered by BC Housing through an operational review process with housing providers
- Measure's baseline year was 2012/13

Methodology

- Operational review process involves four stages:
  1) initial review
  2) on-site visit
  3) development of a work plan
  4) collaborative follow-up stage
- Number of indicators identified determines the follow-ups:
  - 0-5 indicators = high number of completed indicators
  - 6-8 indicators = medium number of completed indicators
  - 9 indicators or higher = low number of completed indicators

Strategic Priority 1: Support a Strong Non-Profit Housing Sector *(continued)*

MEASURE: REDUCTION IN THE NUMBER OF INDICATORS REQUIRING FOLLOW-UP AFTER AN OPERATIONAL REVIEW *(continued)*

Reliability

- Measure will be monitored and results reviewed to ensure follow-ups are completed within identified timeframes
- Quarterly results reported internally

Benchmarks

- Benchmarked internally against past performance

Comments

- Baseline established from operational reviews of more than 200 non-profit housing providers

Strategic Priority 2: Respond to Critical Gaps Along the Housing Continuum

MEASURE: NUMBER OF NEW UNITS/BEDS CREATED FOR PRIORITY GROUPS

Changes to Performance Targets

- Targets have been adjusted based on current forecasting to reflect the completion of units under existing funding programs, the timing of project completion, as well as planned new projects

Targets	2012/13 Service Plan Targets	2013/14 Revised Service Plan Targets
2012/13	1,289	1,040
2013/14	326	1,157
2014/15	n/a	451

Data Source

- Data gathered through BC Housing's information systems on new units/beds created under current funding programs

Methodology

- Includes units or beds funded or financed by BC Housing which have reached completion and/or ready for occupancy during the reporting period

Reliability

- Results may be influenced by:
  - changes in programs or funding levels
  - complexity of the development process affecting timing

Benchmarks

- Benchmarked internally against past performance

Comments

- n/a

Strategic Priority 2: Respond to Critical Gaps Along the Housing Continuum (continued)

MEASURE: NUMBER OF NEW HOUSEHOLDS ASSISTED THROUGH RENT ASSISTANCE PROGRAMS

Changes to Performance Targets

- Targets have been adjusted based on current forecasting and trends to reflect the actual take-up level that is expected to occur
- It is anticipated there will be continued strong demand among households eligible for assistance
- Expected that over the next three years, take-up for the *Rental Assistance Program* will remain strong

Targets	2012/13 Service Plan Targets	2013/14 Revised Service Plan Targets
2012/13	6,500	6,500
2013/14	6,500	7,000
2014/15	n/a	7,000

Data Source

- Data gathered through BC Housing's internal information systems on the *Rental Assistance Program* and *Shelter Aid for Elderly Renters* program

Methodology

- Analysis of summary data on those clients who received a subsidy under the *Rental Assistance Program*, or *Shelter Aid for Elderly Renters* during the reporting period
- Number of new households in the *Rental Assistance Program* or *Shelter Aid for Elderly Renters* who received a rent subsidy during the relevant reporting period

Reliability

- Based on past performance
- Applicants are required to re-apply on an annual basis to ensure they are still eligible for the relevant program
- Analysis is completed on the data to mitigate the possibility of including clients not receiving a subsidy within the defined reporting period

Benchmarks

- Benchmarked internally against past performance
- No external benchmark available

Comments

- New household is defined as a household that is:
  - receiving rent subsidies for the first time; or
  - re-entering the relevant program after a minimum of three months without any subsidy
- Households' eligibility status is monitored to ensure they remain eligible for subsidies under the relevant program

Strategic Priority 2: Respond to Critical Gaps Along the Housing Continuum (cont'd)

MEASURE: PERCENTAGE OF CLIENTS BELONGING TO PRIORITY GROUPS IN SUBSIDIZED HOUSING

Changes to Performance Targets

- Targets have been adjusted to reflect current forecasting and trends on the:
  - projected number of households in government-assisted housing within one of the designated priority groups; and,
  - anticipated number of new and acquired housing units, all of which are targeted priority groups

Targets	2012/13 Service Plan Targets	2013/14 Revised Service Plan Targets
2012/13	84%	85% or Higher
2013/14	84%	85% or Higher
2014/15	n/a	85% or Higher

Data Source

- Data gathered through BC Housing's information systems on programs that assist those considered to be in greatest need

Methodology

- Calculated by taking the current inventory of subsidized housing and determining the percentage of units that are available for each of the designated priority groups
- Clients using either the *Rental Assistance Program* and *Shelter Aid for Elderly Renters* program are excluded from this measure

Reliability

- A review of the methodology was undertaken to provide further clarity around the mix of "housing units" and "people" to mitigate against the possibility of double counting
- Diversity of clients and range of services present significant challenges to this measure
- Each of the programs report independently, providing the opportunity to monitor any changes at the program level
- Any double counting that may occur will be if a person is housed under a service program but the housing unit may be funded by a different program
- This may result in both the person and the housing unit being counted

Benchmarks

- Benchmarked internally against past performance
- No external benchmark is available

Comments

- n/a

Strategic Priority 2: Respond to Critical Gaps Along the Housing Continuum (continued)

MEASURE: PERCENTAGE OF HOMELESS INDIVIDUALS ACCESSING HOUSING WHO REMAIN HOUSED SIX MONTHS AFTER PLACEMENT

Changes to Performance Targets

- Targets have been adjusted downward based on current forecasting and trends as it appears the capacity of outreach and health-related housing support services have reached their maximum, and performance results have stabilized
- This trend has been verified with research conducted in the past year which included interviews with service providers who report the challenges associated with housing individuals diagnosed with multiple health and social issues and the service capacity needed to keep this client group housed

Targets	2012/13 Service Plan Targets	2013/14 Revised Service Plan Targets
2012/13	85%	75% or Higher
2013/14	85%	75% or Higher
2014/15	n/a	75% or Higher

Data Source

- Data gathered through the Homelessness Services System (HSS) database
- Information is captured about homeless people who receive services through the *Emergency Shelter Program*, the *Homeless Outreach Program*, the *Aboriginal Homeless Outreach Program* and the *Homeless Rent Supplement Program*

Methodology

- Measure calculates the percentage of persons where follow-up was completed, housing status was verified, and where they have remained housed for six consecutive months
- Process for gathering information involves a number of steps:
  - Individuals who have consented to follow-up at the six-month anniversary of being housed are contacted by an outreach worker
  - The outreach worker identifies whether or not the individual is housed either at the original location or at a different location, or is no longer housed
  - The population whose housing status has been verified (as either housed or no longer housed) is reported in this measure

Reliability

- Measurement is based upon those clients:
  - whose housing status is recorded in the database system by the outreach and shelter workers;
  - who issued consent for follow-up contact at their six month anniversary of being housed; and
  - whose housing status could be verified as either "remaining housed" or "no longer housed"
- Final result does not include individuals who did not issue consent for follow-up contact
- Reporting on only data that is verified provides the highest level of data integrity possible for this measure, based upon the current methodology

Strategic Priority 2: Respond to Critical Gaps Along the Housing Continuum *(continued)*

MEASURE: PERCENTAGE OF HOMELESS INDIVIDUALS ACCESSING HOUSING WHO REMAIN HOUSED SIX MONTHS AFTER PLACEMENT *(continued)*

Benchmarks

- Benchmarked internally against past performance

Comments

- n/a

Strategic Priority 3: Enhance Aboriginal Housing Partnerships

MEASURE: PROGRESSIVE ABORIGINAL RELATIONS CERTIFICATION

Changes to Performance Targets

- No changes were made

Data Source

- Based upon an independent, third-party verification of BC Housing's initiatives and outcomes in four areas: employment, business development, community investment and community engagement

Methodology

- BC Housing submits a report to the Canadian Council for Aboriginal Business (CCAB)
- An independent verifier conducts a site visit, selects and interviews the organization's Aboriginal partners to solicit confirmation and feedback on BC Housing's business practices supporting the Aboriginal sector
- The verifier submits a report to a jury consisting of individuals who represent Aboriginal organizations and the jury assigns ratings of bronze, silver or gold based on criteria

Reliability

- The Progressive Aboriginal Relations (PAR) program was enhanced to reflect best practice in the Global Reporting Initiative framework and builds on CCAB's ten years of expertise and knowledge

Benchmarks

- Benchmarks will be conducted against other PAR-certified organizations

Comments

- CCAB's certification report serves as an opportunity to provide advice, highlight best practices as well as identify strengths, opportunities and gaps to BC Housing
- The Progressive Aboriginal Relations certificate is awarded every three years

Strategic Priority 4: Help Bring About Improvements to the Quality of Residential Construction and Strengthen Consumer Protections

MEASURE: BUILDERS' RATING OF THE EFFECTIVENESS OF COMPLIANCE EFFORTS TO MONITOR AND ENFORCE LICENSING AND HOME WARRANTY INSURANCE REQUIREMENTS AND THE OWNER BUILDER EXEMPTION

Changes to Performance Targets

- Targets were lowered to reflect the margin of error that can occur with surveys
- Margin of error will increase as the number of respondents providing a usable response declines, thereby affecting results

Targets	2012/13 Service Plan Targets	2013/14 Revised Service Plan Targets
2012/13	84%	80% or Higher
2013/14	84%	80% or Higher
2014/15	n/a	80% or Higher

Data Source

- Annual Licensed Residential Builder Survey

Methodology

- Self-administered questionnaire sent to all Licensed Residential Builders in the province
- Results calculated by an independent research firm
- Survey is available online

Reliability

- Response of 1,316 builders (26 per cent) in 2011/12 survey provides a confidence level of 95 per cent with a maximum margin of error of plus/minus 2.9 per cent

Benchmarks

- Benchmarked internally against past performance
- Informal external benchmarking conducted with the Tarion Warranty Corporation in Ontario

Comments

- n/a

Strategic Priority 5: Sustainability Leader

MEASURE: FACILITY CONDITION INDEX

Changes to Performance Targets

- Targets have been adjusted as a result of available funding for building renovations
- The number of buildings that will be renovated and the types of renovations completed required alteration

Targets	2012/13 Service Plan Targets	2013/14 Revised Service Plan Targets
2012/13	1% reduction from 2012/13 baseline	Maintain 2012/13 baseline
2013/14	1% reduction from 2012/13 baseline	2% increase over 2012/13 baseline
2014/15	n/a	5% increase over 2012/13 baseline

Data Source

- Facility Condition Index (FCI) is the ratio of the repair needs to replacement value of current building components expressed in percentage terms

$$FCI = \frac{\text{Total of Building Repair/Upgrade/Renewal Needs (\$)}}{\text{Current Replacement Value of Current Building Components (\$)}}$$

- The data is stored in a comprehensive asset management system, Asset Planner, with all the relevant data pertaining to projects and developments within the housing portfolio
- Currently there is data on 9,121 units, including directly managed units and single room occupancy units (97%), as well as 5,895 non-profit housing units (10%)

Methodology

- Current industry benchmarks indicate the following subjective condition ratings for facilities with various ranges of FCI:
  - 0-5 per cent FCI Asset renewal liability = GOOD condition
  - 5-10 per cent FCI Asset renewal liability = FAIR condition
  - 10-30 per cent FCI Asset renewal liability = POOR condition
- The lower the value of FCI, the better condition a building's asset renewal liability is

Reliability

- Preliminary FCI of 22 per cent for our social housing portfolio has a confidence level of 95 per cent (+/-3 per cent)
- Preliminary rating is result of validating:
  - 9,121 directly managed/single room occupancy units, and
  - 5,895 non-profit housing units
- From the total 68,000 units, 22 per cent in total of the complete housing stock that has been confirmed through an on-site building condition assessments and a subsequent quality assurance review process

Strategic Priority 5: Sustainability Leader *(continued)*

Benchmarks

- Benchmarked against FCI of other governmental social housing providers, and other governmental and private sector building asset owners

Comments

- Land value is not considered when evaluating FCI
- FCI is a valuable decision-making tool to assist with investment decisions and strategic directions regarding capital works and budgets for the social housing portfolio
- It should be noted that overall FCI asset renewal liability (currently classified as "poor" by industry benchmarks) does not, in most cases, reflect the quality of the social housing stock for tenants in directly managed and non-profit housing
- A public-private partnership has been initiated for the renovation and restoration of 13 provincially-owned single room occupancy hotels

MEASURE: PERCENT REDUCTION IN GREENHOUSE GAS EMISSIONS

Changes to Performance Targets

- No changes were made to the targets of this measure

Data Source

- Greenhouse gas (GHG) emissions from the entire housing portfolio of buildings owned or leased by BC Housing
- Building energy data based on data provided directly from utilities, compiled by an external consultant

Methodology

- GHG emissions are calculated based on energy consumption data from the entire housing portfolio of buildings owned or leased by BC Housing
- Data is reported on a calendar year basis, e.g., performance for 2012/13 is based on data for the period of January 1 to December 31, 2012

Reliability

- Data compiled in accordance with legislated requirements. For details on the Province's GHG emission methodology please refer to the Ministry of Environment's website: www.env.gov.bc.ca/codes/ggrcta/reporting-regulation/reporting/index.htm
- GHG emissions based on B.C. government's Climate Action SmartTool reporting

Benchmarks

- Progress measured against the 2005 baseline data

Comments

- Data has not been corrected for weather effects
- 2005 was chosen as the base year as it was the first year for which verifiable emissions data was available

Strategic Priority 5: Organizational Excellence

MEASURE: CONTROLLABLE ADMINISTRATION COSTS AS PERCENTAGE OF PROGRAM DELIVERY COSTS

Changes to Performance Targets

- No changes were made to the targets

Data Source

- BC Housing's audited financial statements

Methodology

- Data from audited financial statements are expressed as a percentage of total program costs

Reliability

- Given variations in context and accounting across organizations, a year-over-year comparison within the same agency is a valid comparator

Benchmarks

- Benchmarked with other social housing organizations through an independent, third-party review in 2006
- Costs are standardized

Comments

- n/a

Strategic Priority 6: Organizational Excellence *(continued)*

MEASURE: TENANTS' RATING OF BC HOUSING'S SERVICE DELIVERY

Changes to Performance Targets

- 2013/14 survey will be redesigned with questions with more focus on performance and service delivery to our tenants such as maintenance standards, safety and security
- Change will allow BC Housing to focus more clearly on performance and identify areas where improvements can be made to address tenants' needs
- New baseline year is required

Targets	2012/13 Service Plan Targets	2013/14 Revised Service Plan Targets
2012/13	75%	Establish baseline
2013/14	75%	To be determined
2014/15	n/a	To be determined

Data Source

- Annual tenant survey

Methodology

- Questionnaire sent to BC Housing tenants by a third-party research firm. Results based on a five point scale system
- Results are based on percentage of tenants who answered "very good" or "good" to the question "How would you rate BC Housing's overall performance in meeting your housing needs?"

Reliability

- Confidence level of 95 per cent with a maximum margin of error of plus/minus three per cent
- Survey company provides analysis on specific areas where gains or improvements would be most impactful

Benchmarks

- Benchmarked internally against past performance
- Results compared informally to published results reported by housing providers in other jurisdictions

Comments

- n/a

Strategic Priority 6: Organizational Excellence (continued)

MEASURE: EMPLOYEE ENGAGEMENT INDEX

Changes to Performance Targets

- No changes were made to the targets

Data Source

- Annual staff survey

Methodology

- Self-administered online survey with the results analyzed by external research firm
- Survey seeks to obtain staff feedback on 10 benchmark questions

Reliability

- Baseline gathered through organization-wide survey initiated in spring 2005
- Annual surveys completed each year since 2007
- In 2012, 80 per cent of staff participated in the employee engagement survey

Benchmarks

- Benchmarked with other employers through use of standard industry survey instruments

Comments

The 10 benchmark questions are:

- Clarity about what is expected
- Having the right materials, tools and equipment
- Having a good relationship with one's manager/supervisor
- Having received positive recognition for work in the past month
- Having the ability to use skills and talents to make a contribution
- Having a sense of alignment with the corporate goals and objectives
- Having clarity about how their work contributes to the broader goals and objectives
- Having input into decisions that have personal impact
- Having feedback on progress
- Having access to learning opportunities

Glossary of Terms

PROGRAM ABBREVIATIONS AND ACRONYMS AT A GLANCE

AHOP	Aboriginal Homeless Outreach Program
AHI	Aboriginal Housing Initiative
AHI	Affordable Housing Initiative
CPI	Community Partnership Initiatives
ESP	Emergency Shelter Program
EWR	Extreme Weather Response
HAFI	Home Adaptations for Independence
HEF	Housing Endowment Fund
HOP	Homeless Outreach Program
HPO	Homeowner Protection Office
IAH	Investment in Affordable Housing
ILBC	Independent Living BC
NIMBY	Not In My Backyard
PHI	Provincial Homelessness Initiative
RAP	Rental Assistance Program
SAFER	Shelter Aid for Elderly Renters
SHR	Supportive Housing Registration Service
SRI	SRO Renewal Initiative
SRO	Single Room Occupancy Hotel
SRH	Seniors' Rental Housing

Aboriginal Homeless Outreach Program: Homeless outreach workers directly engage homeless Aboriginal people living on the street and provide access to housing, income assistance, and community-based support services to help break the cycle of homelessness.

Aboriginal Housing Initiative: Provides funding to develop new, affordable housing for Aboriginal people living off-reserve and to meet long-term Aboriginal housing needs.

Affordable Housing: When housing costs do not exceed 30 per cent of a household's gross income, housing is considered affordable.

Affordable Housing Initiative Agreement: In December 2001, the Province of British Columbia and the Government of Canada announced the first bilateral agreement under the Canada-British Columbia Affordable Housing Agreement. Funding from this agreement created units under the *Provincial Housing Program, the Independent Living BC* program and the *Community Partnership Initiatives* program. The agreement was renewed in December 2004 with each level of government contributing about $42 million towards the *Provincial Homelessness Initiative* in B.C. In April 2009, the Extension to the Canada-BC Affordable Housing Initiative was signed, with each level of government contributing funding for the *Provincial Housing Initiative, Seniors' Rental Housing* initiative, and the *Housing Renovation Partnership.*

Assisted Living: Assisted living units are self-contained apartments for seniors or people with disabilities who need some support services to continue living independently, but do not need 24-hour facility care. Services provided include daily meals, social and recreational opportunities, assistance with medications, mobility and other care needs, a 24-hour response system and light housekeeping.

Building Envelope: The assemblies, components and materials of a building which are intended to separate and protect the interior space of the building from the adverse effects of exterior climatic conditions.

Building Envelope Renovation: The construction work on a residential building to either repair defects in the building envelope, which allow unintended water penetration, or to repair damage caused by unintended water penetration.

Building Envelope Renovator: A residential renovator who is licensed under the *Homeowner Protection Act* to either engage in, to arrange for, or to manage all or substantially all of a building envelope renovation.

Community Partnership Initiatives: This program helps our housing partners create a range of innovative housing projects for people in need. CPI offers one-time grants, access to consulting services, and construction and long-term financing for projects that do not need ongoing operating subsidies.

Co-operative Housing: A housing development in which individual residents own a share in the co-operative. This share grants them equal access to common areas, voting rights, occupancy of an apartment or townhouse and the right to vote for board members to manage the co-operative. Each member has one vote and members work together to keep their housing well-managed and affordable.

Core Housing Need: Households in core housing need are those who currently reside in housing that is either in need of major repair, does not have enough bedrooms for the size and make-up of the household, or costs 30 per cent or more of their total income, and who are unable to rent an alternative housing unit that meets these standards without paying 30 per cent or more of their income.

Directly Managed Housing: Refers to social housing, sometimes referred to as public housing, where BC Housing is responsible for the day-to-day property management.

Emergency Shelter: Short-stay housing of 30 days or less. Emergency shelters provide single or shared bedrooms or dorm-type sleeping arrangements, with varying levels of support to individuals.

Emergency Shelter Program: The program offers temporary shelter, food and other services to meet the basic nutritional and hygiene needs of people who are homeless and provides a gateway to support services that help individuals to stabilize their lives.

Group Home: A small, community-based development, usually under 10 beds (units), that provide affordable housing with supports to those with special needs including individuals with severe mental and physical disabilities, developmental disabilities, youth, and women with their children fleeing abuse. BC Housing provides administration and property management support for group homes on behalf of other provincial ministries and health authorities.

Home Adaptations for Independence: Provides financial assistance to help low-income seniors and people with disabilities with home adaptations so that they can continue to live in the comfort of their home.

Homeless Outreach Program: Homeless outreach workers directly engage homeless people living on the street and provide access to housing, income assistance, and community-based support services to help break the cycle of homelessness.

Home Warranty Insurance and Third-Party Home Warranty Insurance: Under the *Homeowner Protection Act*, all residential builders in B.C. must be licensed and arrange for third-party home warranty insurance on proposed new homes prior to obtaining a building permit or obtaining an applicable exemption. Minimum coverage and allowable exclusions for third-party home warranty insurance are set by legislation. Home warranty insurance can only be provided by insurance companies approved by the provincial Financial Institutions Commission. Insurance brokers acting on behalf of warranty insurance providers are regulated by the Insurance Council of B.C.

The Homeowner Protection Office, a branch of BC Housing, monitors the performance of the home warranty insurance system in accordance with the Act and its regulations, but has no authority to regulate warranty providers or insurance brokers.

In geographic areas where building permits are not required for new home construction, licensing and warranty insurance must be in place prior to the commencement of construction. Owner builders who have been issued an authorization by the Homeowner Protection Office branch are exempt from the licensing and home warranty insurance requirements.

Homeowner Protection Office: Operates as a branch of BC Housing and is responsible for: licensing residential builders and building envelope renovators province-wide; administering owner builder authorizations; monitoring the performance of the third-party home warranty insurance system underwritten by the private sector; and carrying out research and education which benefits the residential construction industry and consumers.

Housing Endowment Fund: The fund is a $250 million capital endowment that was established to encourage new ideas and support innovative housing solutions. The intent is to allocate available revenue on an ongoing basis each year.

Homeless Rent Supplement: Through the *Homeless Outreach Program* and the *Aboriginal Homeless Outreach Program*, outreach service providers may provide clients with a rent subsidy for housing in the private market.

Housing Providers: Non-profit housing societies and housing co-operatives that own and manage subsidized housing developments. This term can also include private market landlords through whom BC Housing provides rent assistance to low-income households.

Independent Living BC: Created in 2002, this housing-for-health program serves seniors and people with disabilities who require some support, but do not need 24-hour institutional care. ILBC offers a middle option to bridge the gap between home care and residential care.

Investment in Affordable Housing Agreement: Announced July 2011, this is a $180-million cost-matching agreement between the Government of Canada and the Province of British Columbia. Funding from this agreement is creating housing under the *Aboriginal Housing Initiative and Affordable Rental Housing* initiative. The agreement is also funding the *Home Adaptations for Independence* program.

NIMBY: Community opposition to new social housing developments based upon fear, assumptions and stereotypes that some people may harbour about the individuals who will live in these developments.

Non-Profit Housing: Rental housing that is owned and operated by community-based, non-profit societies. The mandates of these societies are to provide safe, secure, affordable accommodation to households with low- to moderate-incomes. Most non-profit housing societies receive some form of financial assistance from government to enable them to offer affordable rents. Each society operates independently under the direction of a volunteer board of directors.

Owner Builder: An individual who has been issued an owner builder authorization by the registrar of the Homeowner Protection Office to build a single-detached or self-contained dwelling unit for personal use and who is therefore exempt from the *Homeowner Protection Act*'s mandatory licensing and home warranty insurance requirements of the *Homeowner Protection Act*.

Provincial Homelessness Initiative: BC Housing provides funding for non-profit housing developments with support services that address homelessness in B.C. communities. Through *Housing Matters BC*, the Province has committed to creating nearly 6,100 new and upgraded supportive housing units across B.C.

Provincial Rental Housing Corporation: BC Housing's land holding company. Incorporated in 1973, PRHC buys, holds and disposes of provincially-owned social housing properties and leases residential properties to non-profit societies and co-ops.

Public Housing: Housing that is jointly funded by the provincial and federal governments and predominantly managed by BC Housing. Most of these developments were constructed in the 1950s and 1960s.

Rental Assistance Program: The program is for low-income, working families with at least one dependent child and a household income of less than $35,000. Cash assistance is paid directly to eligible households to assist these families in meeting monthly rent payments in the private market.

Residential Builder: A person, who engages in, arranges for or manages all, or substantially all, of the construction of a new home, and includes a developer and a general contractor. Residential builders are licensed under the *Homeowner Protection Act*.

Safe Homes: Temporary housing for women and children fleeing violence where transition homes are not available in the community. This may include private homes, hotel units or rental apartments. Stays do not usually exceed five days.

Second Stage Housing: Housing for women and children at risk of violence who have completed a stay in a transition house or safe home. Stays can be up to 18 months.

Seniors' Rental Housing: The Province is working in partnership with the federal government's contribution to develop approximately 1,300 affordable housing units for seniors and persons with disabilities and stimulate local economies by developing new affordable rental housing in smaller communities across B.C.

Shelter Aid for Elderly Renters: The SAFER program provides direct cash assistance to eligible residents of British Columbia who are age 60 or over and pay rent for their homes.

Single Room Occupancy Hotel: These hotels provide long-term accommodation in single rooms, typically without private bathrooms or kitchens.

Single Room Occupancy Renewal Initiative: The initiative uses a public-private-partnership delivery model to renovate and revitalize 13 provincially-owned single room occupancy hotels in Vancouver's Downtown Eastside.

Social Housing: Includes both public housing and housing that is owned and managed by non-profit and co-operative housing providers.

Subsidized Housing: Encompasses all types of housing for which the provincial government provides a subsidy or rent assistance, including public, non-profit and co-operative housing, as well as rent assistance for people living in private market housing. It also includes emergency housing and short-term shelters.

Supportive Housing: Housing that provides ongoing supports and services to residents who cannot live independently and are not expected to become fully self-sufficient.

Supportive Housing Registration Service: With the goal to facilitate the transition from homelessness and emergency shelter use to permanent, supportive housing, SHR provides a single point of access for applicants seeking low-barrier supportive housing. The service manages the allocation of supportive housing units in the Vancouver SROs acquired by BC Housing and select City of Vancouver-owned supportive housing sites.

The Housing Registry: A centralized database of applicant information and housing provider information coordinated by BC Housing. It allows individuals to apply for housing with multiple service providers using one application form.

Transition Houses: Temporary housing for women and children fleeing violence. Transition houses provide housing, food, crisis intervention and referrals. All provincially-funded transition houses have around-the-clock staff coverage. Stays do not exceed 30 days.

Transitional Housing: Housing that is provided for a minimum of 30 days and up to two or three years, which includes the provision of on- or off-site support services to help people move towards independence and self-sufficiency.

Women's Transition Housing and Supports Program: Serves women and their dependent children fleeing violence. It includes transition houses, safe homes, second stage housing and related supports. Services are provided by community-based contractors and provide clients with housing, food, crisis intervention, and referrals.